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## For Better or for Worse, A Serb and Croat Wed Sarajevo Couple Decide That Life Goes On With or Without Peace

By John Pomfret  
Washington Post Service

SARAJEVO, Bosnia and Herzegovina — On a day when the governments of the United States, the leading West European countries and Russia presented a peace plan that would effectively cut Bosnia in half, Silvio and Marina Basic, a Croat and a Serb, defied the odds and got married.

It was a typical Sarajevo wedding — cobbled together with the ingenuity that has defined this city's siege.

The bride's flowing white gown came from Zagreb. So did the groom's shocking purple suit. The beer made it over on a newly opened road from Slovenia, and the rice was tossed from a package of humanitarian aid. The cognac? Smuggled over the hills from the Serbs.

Even the day, Wednesday, was packed for wartime reasons — part of a local tradition of avoiding weekends, when, during Sarajevo's hardest times, the hills would crawl with Serb "weekend warriors," tossing back shots of plum brandy while they pounded the city with artillery and tank guns.

"What can we do? We have to live, right?" said Silvio, a tall, striking soldier who serves in an anti-tank unit with the mostly Muslim Bosnian Army. "The peace plan is silly. It has nothing to do with my life."

Across this city — in houses packed with refugees, in the now bustling market where a mortar shell killed 68 civilians on Feb. 5, in 19-story high-rises with no electricity — the denizens of this crumbling capital cast less than half an eye toward Geneva on Wednesday and went on with their lives.

"What's it got to do with me?" asked Redzep Hamic, 46, an auto mechanic who had pushed his small and gasless Fiat into a winding line at Sarajevo's only working filling station.

They sign, they don't sign, it doesn't really matter," he said. "The war will still go on. We are the people who are the victims of international diplomacy, ignored, so

countless ineffective cease-fires that break down often before they begin, the people of this city, a symbol of Bosnia's 27-month-old war, seemed not really to care about what one man called "the Geneva song and dance."

"Listen to the news 10 times a day and I read the papers and I still don't know what's going on," said Omer Hasanbegovic, 43, a police detective turned goldsmith.

Sarajevo's profound ambivalence about the plan, which would cut Bosnia into a 51-percent chunk controlled jointly by Muslims and Croats and the rest run by rebel Serbs, stems from a feeling that no matter how many people want the war to stop no one can quite come up with a way to do it.

Staring at an ethnic map of his country in the central police station, Dzemal Dizdarevic, 56, took time off his work of booking Sarajevo's numerous thieves to wax philosophical.

"How can you divide it?" he asked, echoing oft-repeated sentiments about the leopard-spot nature of Bosnia's ethnic mix of Croats, Muslims and Serbs. "It's like agreeing to divide a TV set. Once you take out the saw and start cutting, you don't have a TV set anymore."

In addition to these difficulties, other impediments block a settlement. Many Bosnians, on all sides, benefit from the war. Peace could mean a profound reshuffling of the governments of both the Muslim and Serb factions. It might even affect Croatia's government, which until March had supported the partition.

The mostly Muslim military, which has gained immense political power, could be thrown into crisis.

On the Muslim side, more than a million refugees still long to return to their homes, most of which lie on land controlled by the Serbs. Many of these people oppose any settlement that denies them the right to go home.

On the Serb side, there is little support for the plan, which the Serbs would retain about one-third of the land they have grabbed.

## Is President Really Ready To Agree to Invade Haiti?

By Elaine Sciolino  
New York Times Service

WASHINGTON — As American commanders rehearse for war and administration officials insist that the crisis in Haiti must end soon, an unanswered question is whether President Bill Clinton himself is really willing to risk U.S. lives to restore democracy to Haiti.

His aides insist that despite intensified military planning for an invasion and increased war talk, Mr. Clinton has not yet decided what to do.

The administration's public actions and statements offer little help in deciphering Mr. Clinton's intentions. The White House

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seems to be lurching from one short-term solution to another, often creating new problems that in turn require new quick fixes.

The president's special envoy on Haiti, William H. Gray 3d, said Wednesday that Washington did not expect the Haitian military to be in power six months from now. But the administration has delivered no such formal ultimatum to the military junta, ordering them to leave or risk an invasion by a certain date, despite the request by the U.S. ambassador to Haiti, William Swing, that he be given the authority to do so, officials say.

The administration has debated, but failed to agree on, authorizing a covert program by the Central Intelligence Agency to sow dissension among the military or finance the departure of the country's three top military leaders, the officials add.

Moreover, there is no consensus among Mr. Clinton's national security advisers on how much longer the United States should give the stringent economic sanctions to work before it moves to an invasion.

The deputy secretary of state, Strobe Talbott, for example, argued strongly in recent interagency meetings that American credibility was at stake and that there had to be a change in government by the end of the year at the latest, even if it took an invasion, officials said. The Pentagon remains strongly opposed to an invasion.

Part of the problem in the administration's decision-making is that the tension between Mr. Clinton's desire to do what he calls the "moral" thing has clashed with political reality; another part of the problem is that the administration has imposed punitive measures on the military only in stages. The result is a policy that seems to shift with every new development at home or in Haiti.

Mr. Clinton's decision on May 8 to end the practice of forcibly returning Haitians intercepted at sea came after he told aides that he could no longer continue a policy that was "making Haitians choose between being drowned at sea or having their faces cut off on land."

But the administration estimated that only hundreds of Haitians a day would try to seek refuge in the United States; when thousands a day began to leave, Mr. Clinton

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U.S. troops, in maneuvers, rehearsed for an invasion of Haiti. Page 3.



Mr. Clinton laying a wreath at the Tomb of the Unknown Soldier in Warsaw.

## Clinton Vows To Warsaw: No 'Veil of Indifference'

But Poles Are Skeptical Of Promise of Inclusion In 'Integrated' Europe

By Douglas Jehl  
New York Times Service

WARSAW — President Bill Clinton offered a message of reassurance to this capital in the heart of Central Europe on Thursday with words, gestures and a token gift of aid intended to display his hope that all of Europe might soon be knit with economic and security ties.

But Mr. Clinton's overture, made in private meetings and an eloquent address to the Polish National Assembly, appeared to have gone only a small way toward soothing the uneasiness so prevalent here among Poles fearful that their aspiration to a Western embrace could fall victim to Western fickleness.

In a country whose history has been tortured by betrayal from both West and East, Mr. Clinton insisted that he had no intention of leaving Poland and its neighbors isolated and alone.

He said the United States felt a responsibility to include them in a wider Europe "democratic and free, integrated and united."

And he proclaimed: "We will not let the Iron Curtain be replaced with a veil of indifference."

But his promise of more than \$200 million in new grants and loans was acknowledged by administration officials to represent no more than a small gesture toward nudging Poland along a path of economic change.

And Polish leaders across the political spectrum expressed disappointment that Mr. Clinton again stopped short of saying exactly when the United States and its partners would accept their country as a full member of the North Atlantic Alliance.

"It was a beautiful speech but did little to satisfy our security expectations," said Bronislaw Geremek, a member of the center-right Freedom Union party and chairman of the parliamentary Foreign Affairs Committee. "To us this represents a lack of momentum."

It was difficult to say whether that reflected a certain realism on the part of the Poles or the new stinginess of an American government unwilling to shower Poland with generous aid and not yet ready to promise to go to war to defend its borders. But it left Mr. Clinton's visit here shadowed by a certain tension.

Even Mr. Clinton, while proclaiming this to be Poland's best opportunity in its 350 years to win peace and security, on Thursday reflected some of the apprehension he had heard from President Lech Walesa and others in warning that "history and geography caution us not to take this moment for granted."

The president pointed Thursday to the joint military exercises to be staged here two months from now by NATO and Polish forces as a sign that the new Partnership for Peace is truly intended as a means

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## Governments Lose Clout In New Monetary Order

By Carl Gewirtz  
International Herald Tribune

PARIS — More than a decade after governments began liberalizing and deregulating financial markets, a new monetary order is taking shape, one that raises the question: Are the governments fast becoming the governed?

Friday, as the leaders of the Group of Seven industrial nations open their annual summit meeting in Naples, they will be hard pressed to show that despite the new imperatives of the marketplace they are still in charge.

"The privilege of government is being squeezed away," says Richard O'Brien at American Express Bank in London.

Market upsets, such as the year-long weakness in bond prices and the turbulence in the foreign exchange market, are nothing new. What is different is the high degree of contagion — especially between bond markets, which in turn threatens domestic equity markets — and the increasing risk of instability in world financial markets.

It is the fear of this contagious instability — exacerbated by the volume, speed

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and complexity of international capital flows — that is increasingly forcing governments to act.

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### Berlusconi on Dollar

Prime Minister Silvio Berlusconi of Italy, speaking on the eve of the Group of Seven summit in Naples, for which he is the host, said the weak dollar is good for the United States and Italy.

He added that intervention by the central banks to support the dollar would be useless. (Page 11)

## Simpson Judge Lets in Evidence Of Bloodstains

The Associated Press

LOS ANGELES — In a setback for the defense, a criminal court judge ruled Thursday that the prosecution can use a bloody glove and bloodstains found at O.J. Simpson's house as evidence that he should stand trial for murder.

The judge, Kathleen Kennedy-Powell, said that even though detectives did not have a warrant, they did nothing improper by scaling a wall at Mr. Simpson's residence after noticing a small bloodstain on his car and becoming concerned that lives were in danger.

The policemen went to Mr. Simpson's house after having found the bodies of his former wife, Nicole Brown Simpson, 35, and a friend of hers, Ronald Goldman, 25, outside her home two miles away. Mr. Simpson is accused of killing them both. He has pleaded not guilty.

The court finds that the detectives were in fact working for a benevolent purpose in light of the brutal attack and that they reasonably believed that a further delay could have resulted in the unnecessary loss of life. Judge Kennedy-Powell said. "And therefore, the court denies the defense motion to suppress."

In addition to the glove, which was found on the grounds of Mr. Simpson's residence and seemed to match one found at the scene of the June 12 killings, the items in the defense motion included bloodstains on his driveway and a blood spot on the driver's door of Mr. Simpson's white Ford Bronco parked on the street.

"This would be a very easy decision for me if in fact these officers went in there like storm troopers fanning out over the property, examining every leaf, every car, every closet, every nook and cranny at this

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### Kiosk

#### Panama Won't Take Refugees from Haiti

PANAMA CITY (AP) — President Guillermo Endara of Panama said Thursday that his country had withdrawn its offer to accept thousands of Haitian refugees.

Mr. Endara's decision is a blow to U.S. efforts to cope with the flow of refugees from Haiti. Panama's decision is likely to increase pressure on President Bill Clinton to seek a military solution.

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Book Review

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### WORLD CUP GRANDSTAND

Haven't We Already Seen... In May, in Athens, the score was AC Milan 4, Barcelona 0. Two very similar teams, Italy and Spain, play Saturday.

Blue ink for the Presses How did Bulgaria get here? Who knows? (Reporters are barred.) Why was the Dutch plane late? A reporter said he had a bomb in his bag. (He went home.)

Saturday's quarterfinal matches: Italy vs. Spain, in Foxboro, Massachusetts, 10:05 GMT; Netherlands vs. Brazil, in Dallas, 19:35 GMT.

Sunday's quarterfinal matches: Bulgaria vs. Germany, in East Rutherford, New Jersey, 1:05 GMT; Sweden vs. Romania, in Stanford, California, 19:35 GMT.

World Cup report: Pages 20 and 21

## South Africa's Newest Headache: Drugs

By Paul Taylor  
Washington Post Service

JOHANNESBURG — In the bad old days of international isolation, South Africa was largely free of hard drugs.

With the borders now open and airports bustling, illegal drugs flourish. "Cocaine and other hard drugs are spreading like wildfire," said Sylvain de Miranda, medical director of Johannesburg's Alcohol and Drug Services. "Arrests are up and confiscations are up, but the street price is down, which means that new supply is definitely getting through."

The increase in drug traffic has caught the eye of the U.S. Drug Enforcement Administration, which is considering setting up an office to help post-apartheid South Africa avoid becoming a hub on the trade route of international drug cartels.

Given South Africa's strategic location between the Far East and South America, it would be a natural transfer point.

Certainly the country holds attractions for big-time drug shippers: a wealthy population, sophisticated banking, good transportation, illegal firearms, local gangs whose members can serve as runners and

understaffed, underequipped law enforcement.

Jan Smuts International Airport, the busiest in sub-Saharan Africa, serves 48 international carriers, more than double the number of four years ago. The airport drug police, however, have not expanded with the traffic.

The police use outdated X-ray equipment and until four months ago they owned one cocaine-sniffing dog. But he died, and now they have none.

"Mostly we rely on inspecting luggage

See DRUGS, Page 4

## Ernest and Scott Meet High Academia

By Katherine Knorr  
International Herald Tribune

PARIS — Just write one true sentence at a time, Ernest Hemingway said in "A Moveable Feast," as he romanticized his wanderings around the Left Bank. There were many beautiful sentences in that book, though not that many true ones. The other night, in one of those kitschy Old World salons at the Ritz, truth and literature came to blows over so politely as 100 or so American academics sipped 100-franc-plus drinks and heard a few true sentences from Budd Schulberg, the 80-year-old author of "What Makes Sammy

Run?" who ducked quite a few punches from the bully who didn't want to be called Ernest.

They had come to Paris from all over the United States to present papers ("American Parents in the Europe of Fitzgerald's Fiction," "Ernest and Scott: Love, War, and Dr. Freud") for the first joint gathering of an unlikely couple, the Ernest Hemingway and the Scott Fitzgerald societies.

There is something about a conference, whether it's pressure cooker salesmen or morticians or professors, that breeds exhausted joviality ("We are particularly

privileged to have among us tonight"), and technical disasters. The Ritz, with its heavy Papa-Scott symbolism (signifiers, to the college crowd), is a class above all that, of course: No folding chairs, but light blue armchairs spreading out into a garden, and a tottering podium with gold-painted moldings. There was sporadic unhappiness about the noise the sparrows were making overhead.

Here were the scholars and the spouses and the free-lance enthusiasts, necklaced with the inevitable name tags, bespectacled but mostly un-tweedy, Linda Wagner-Martin (University of North Carolina-Chapel Hill) holding up the Hemingway side, Jackson R. Bryer (University of Maryland) championing Fitzgerald, and Matthew Bruccoli of the University of South Carolina, the reigning Fitzgerald scholar in the United States, who jettied in briefly to "take the pulse," as he put it, of Lost Generation scholarship. Experts in letter fragments, in the parsing of intentions, the footnoting of emotions, these were people who can remember the first names of all the minor characters and find

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### Newsstand Prices

Andorra...9.00 FF Luxembourg 60 L Fr  
Antilles...11.20 FF Morocco...12 Dh  
Cape Verde...1.40 CFA Gambia...2.00 Rials  
Cayman...E.P. 5000 Reunion...11.20 FF  
France...9.00 FF Saudi Arabia...9.00 R.  
Gabon...9.00 CFA Senegal...9.00 CFA  
Ghana...300 Dr. Spain...300 PTAS  
Greece...2.00 Lira Tunisia...1,600 Din  
Italy...1.120 CFA Turkey...T.L. 35,000  
Ivory Coast...1.120 CFA U.A.E...8.50 Dirh.  
Jordan...T.L.D. U.S. Mil. (Eur.) \$1.10  
Lebanon...US\$ 1.50 U.S. Mil. (Eur.) \$1.10

### Dow Jones

Up 13.92  
3688.42

### Trib Index

Up 0.65%  
112.19

### The Dollar

New York 1.5716 1.5778  
DM 1.5405 1.546  
Yen 98.60 98.90  
FF 5.4085 5.42



## Algerian Fundamentalists Tied To Killing of Italian Ship's Crew

By Alan Cowell  
New York Times Service

NAPLES — In what appeared to be an attack by Islamic fundamentalists who have vowed to kill foreigners, seven Italian seamen were found murdered with their throats slit aboard a ship in an Algerian port Thursday, Italian officials said.

The entire crew had apparently been slain as they slept, bringing to 42 the number of foreigners murdered in terrorist attacks in Algeria since the fundamentalist Algerian Armed Islamic Group told foreigners last October to leave the country or face retribution.

News of the attack in the port of Djedjen, near Jijel, 200 miles (320 kilometers) east of Algiers, reached Italy as Prime Minister Silvio Berlusconi prepared to host leaders of the Group of Seven major industrialized nations in Naples.

One Italian official, Deputy Prime Minister Giuseppe Tarella, suggested that the kill-

ings may have been timed to coincide with the gathering of rich and powerful nations, which the Islamic fundamentalists accuse of backing the Algerian military government.

"All strategies of terror are linked to various aims," Mr. Tarella said in Rome. "Today was the G-7 but one can also see this in the broader context of destabilizing relations among the Mediterranean countries."

According to Italian officials and diplomats, the seven Italians had arrived in the Algerian port Wednesday aboard the Naples-based freighter Lucina bearing a cargo of grain, one of Italy's biggest exports to Algeria.

The killers apparently crept aboard the unguarded ship at night. When no one appeared on deck Thursday, investigators found the ship's crew in their cabins with their throats slit, officials said.

Algeria's strife between Islamic fundamentalists and government forces has claimed

some 3,700 lives since 1992 when the military government canceled an election that Islamic fundamentalists seem to have won.

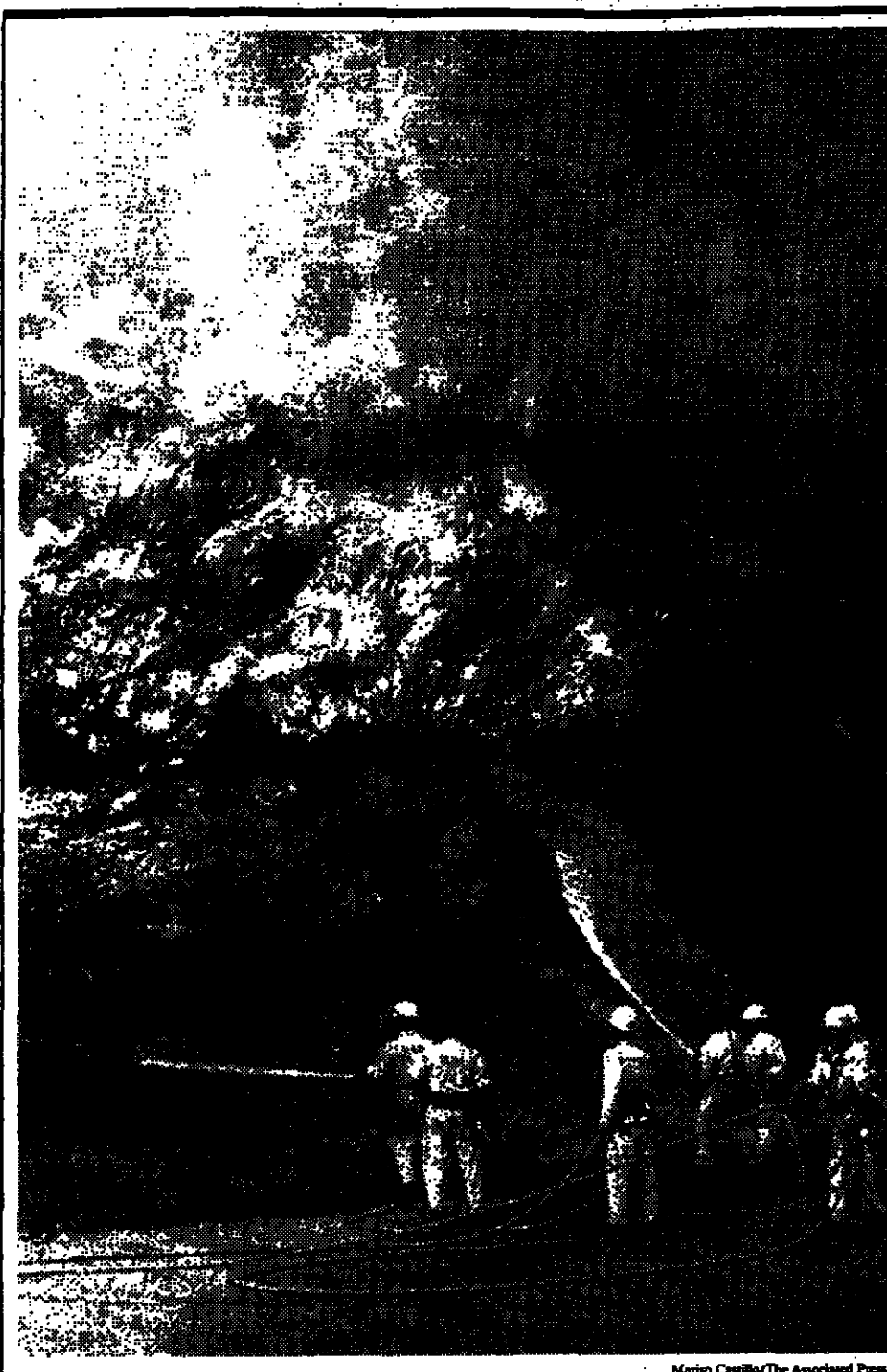
Last May, also in the Jijel region near the newly built Djedjen port, a bus was ambushed. Eleven Algerians and three Russians died. The worst single attack came last December when 12 Croats were found murdered with their throats slit.

Italy is the single biggest importer of Algerian natural gas and 100 of its citizens are working in the south of the country, prospecting for oil and gas.

Authorities in Algeria are still searching for another Italian, Ferruccio Franchini, who disappeared last weekend.

Previously, many fundamentalist attacks have been directed at the French, the former colonial rulers.

Mr. Berlusconi urged "the healthy part" of Algerian society to "marginalize the sick part that dedicates itself to terrorism."



SPAIN AFLAME — Fire fighters trying Thursday to control a forest blaze near Lijar, Spain. Nineteen people have died in wildfires in southern and eastern Spain.

## Carrying On, Amid Disaster

Rwanda's Battered Government Keeps Its Upper Lip Stiff

By Jonathan C. Randall  
Washington Post Service

GISENYI, Rwanda — With just a few days their capital has fallen and so has the second city. The triumphant rebels have named their own prime minister. Their erstwhile French allies have cut a deal with their enemies and their enemies' principal foreign backer.

But inside the Menden Hotel complex on Rwanda's Lake Kivu river, as the travel brochures called it, it was business as usual Thursday for Rwanda's beleaguered government.

Ministers, senior officers and excellencies of all descriptions went through the formal paces of administration at the luxury hotel which once catered to wealthy Westerners.

Heavily guarded by soldiers and black-belted commandos, the Hutu officials who stand accused of having presided over the slaughter of perhaps 500,000 mostly Tutsi fellow Rwandans have no regrets or remorse they wish to communicate to visitors.

Like so many governments on the run throughout history, the little court assembled here is devoted to self-justification and accusing their enemies of the predominantly Tutsi Rwanda Patriotic Front of manipulating the international community.

First driven out of the capital, Kigali, then ending up here, the government remains attached to the trappings of power.

Much in evidence were cellular phones, used to communicate to the outside world their aggrieved message of a misunderstood and traduced ruling elite which has its deepest and most radical roots here in the northwest.

### 12 Die in Russian Mine Blast

MOSCOW — At least 12 workers were killed and three injured Thursday in a coal mine explosion in central Kazakhstan, Itar-Tass news agency said.

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## Arafat Vows to Amend Anti-Israel Charter

The Associated Press

PARIS — Yasser Arafat promised Thursday to convene the Palestinian parliament-in-exile "in the very near future" to delete calls for Israel's destruction from the Palestinian charter.

The amendments were called for in the May 4 accord between Israel and the Palestine Liberation Organization that established limited Palestinian autonomy in the Gaza Strip and West Bank town of Jericho.

Israeli rightists have cited the references in their campaign to weaken public support for the agreement.

The planned meeting in Gaza of the Palestine National Council was announced in a joint Israeli-Palestinian statement after Mr. Arafat, the PLO chairman, and Israeli officials held another round of negotiations on the expansion of Palestinian autonomy.

Among the key topics were the organization of the first elections for the Palestinian entity and the release of more Palestinian prisoners by Israel.

Israel said in the communiqué that it would respond to the Palestinians' request to release imprisoned women, and the PLO promised to remove the references in its charter to Israel's destruction.

The communiqué said Mr. Arafat "intends to convene the PNC in Gaza in the very near future in order to... submit for formal approval the necessary changes to the Palestinian Covenant as undertaken in his letter... to the prime minister of Israel."

The two sides agreed to resume talks next week in Cairo.

Prime Minister Yitzhak Rabin of Israel said his delegation also planned to meet with Jordanian officials in an effort to broaden the Middle East peace initiative.

Mr. Arafat said Wednesday that Israel must follow up its breakthrough with the Palestinians by reaching peace agreements with Jordan, Lebanon and Syria.

Syria blamed Israel Thursday entirely for the standstill in Mideast peace talks. The accusation in the newspaper Tishrin was in response to Mr. Rabin's statement Wednesday that the two countries were so far apart in negotiations that only U.S. mediation could bring them together.

Uri Savir, director-general of the Israeli Foreign Ministry and a leading negotiator, said Mr. Arafat needed a two-thirds majority in the 468-member Palestine National Council to amend the Palestinian Charter.

"I imagine he won't convene the council unless he can meet the commitment," Mr. Savir told Israel Radio. "The commitment isn't only to put it to a vote but to pass it."

Mr. Arafat, Mr. Rabin and Foreign Minister Shimon Peres of Israel met for 90 minutes before jointly receiving a United Nations peace prize.

Mr. Peres and Mr. Arafat met for more than two hours earlier, emerging together to tell reporters they were pleased with their progress.

Mr. Arafat, who described the talks as "very positive," departed for Tunis, where he will prepare for his permanent move to Gaza and Jericho. He made his first homecoming to the Palestinian lands last week.

The next phase of the peace process involves extended autonomy to other areas of the West Bank and empowering Palestinian authorities to handle taxation, education, health care, tourism and other matters.

Mr. Rabin said three joint committees were formed to work on the next phases. "We accepted in principle that the Palestinians will manage their own affairs to the extent that this doesn't threaten the security of Israel and Israelis," he said.

Mr. Rabin later told Israel Radio that Israel had agreed to a Palestinian request to add elections to the negotiating agenda.

## WORLD BRIEFS

### Gorbachev Denies Fomenting Plot

MOSCOW (AP) — Mikhail S. Gorbachev, the former Soviet president and Communist Party leader who is the star witness at the trial of the one remaining defendant in a 1991 coup attempt, denied Thursday that he had encouraged the plotters.

Mr. Gorbachev's role has been the focus of public debate, and almost all the 12 defendants said they had acted in the belief that he implicitly supported their plan to impose a state of emergency.

A dozen Communist hard-liners were originally charged with trying to overthrow Mr. Gorbachev. In February, General Valentin Varennikov, former commander of Soviet ground forces, insisted that his trial continue because, he said, he had committed no crime.

### Angola and Zaire Agree to Meeting

PRETORIA (AP) — The leaders of Angola and Zaire decided Thursday to revive a joint security commission and prepare for a summit meeting in a step toward ending Angola's 19-year civil war, which has killed 500,000 people.

Zaire, Angola's eastern neighbor, is a conduit for supplies to rebels fighting the government of Angola's president, José Eduardo dos Santos. Mr. dos Santos and the president of Zaire, Marshal Mobutu Sese Seko, took part Thursday in talks held by President Nelson Mandela of South Africa.

Mr. Mandela also has invited the Angolan rebel leader, Jonas Savimbi, to South Africa for talks intended to bring a face-to-face meeting between Mr. Savimbi and Mr. dos Santos. The move appeared intended to reduce Marshal Mobutu's support for Mr. Savimbi and remove Zaire as a major factor in the Angolan war.

### Christopher Trip to Hanoi Unlikely

WASHINGTON (AP) — Vietnam has given new assurances of cooperation in determining the fate of missing U.S. military personnel, but not enough to justify a ground-breaking visit to Hanoi by Secretary of State Warren M. Christopher.

Ann Mills Griffiths, head of the largest organization of families of Americans unaccounted for since the Vietnam War, said Thursday that there were no plans for Mr. Christopher to go to Vietnam after attending a conference in Thailand later this month.

Mr. Christopher was in Europe with President Bill Clinton, and U.S. officials said a stop in Vietnam was unlikely.

### Nigerian Army to Distribute Fuel

LAGOS (AP) — Nigeria's military rulers ordered the army to take over the fuel distribution system Thursday, claiming that strikers protesting the would-be president's arrest were blocking the country for ransom.

The move came a day after the government charged Moshood K. O. Abiola with treason. He was presumed to be the winner of the canceled 1993 presidential election. Arrested also was the leader of the union that organized the oil strike, to press for Mr. Abiola's release.

A stoppage by the powerful oil and gas union went into its third day on Thursday. It has almost paralyzed public transport in Lagos.

### Thai Aide Calls Ex-U.S. Envoy a Devil

BANGKOK (AP) — Thailand's army chief called the former U.S. ambassador, Morton Abramowitz, a "devil" and an enemy of the Thai people for complaining that the nation is still helping Cambodia's Khmer Rouge guerrillas.

General Wirat Wongsuwan said Wednesday that the former envoy's information was outdated and false. General Wirat's outburst echoed earlier reactions from the Thai government.

Mr. Abramowitz sparked a furor here when he wrote in May in The Washington Post that pressure should be placed on Thailand to halt its support for the Khmer Rouge, which continues to battle the Phnom Penh government.

### U.K.-China Reconciliation Advances

BEIJING (AP) — In another sign of reconciliation over Hong Kong, China said Thursday that a senior British official would arrive in Beijing next week for talks.

Alastair Goodlad, Britain's minister for Hong Kong affairs, will be the highest-ranking British foreign affairs official to visit China in a year marked by fierce disputes over Hong Kong's political future.

Chairman of Mr. Goodlad's visit supported evidence that London and Beijing have shelved their argument over electoral reforms and are focusing instead on the colony's transition from British to Chinese sovereignty in 1997.

### For the Record

A French bookstore was sentenced to last year to publish books denying the existence of Nazi gas chambers and the Holocaust, justice sources said Thursday in Bordeaux. It is illegal in France to sell or exhibit literature that is either anti-Semitic or incites racial hatred. (Reuters)

## TRAVEL UPDATE

### Travelers Face Athens Airport Delays

ATHENS (Reuters) — Millions of tourists arriving in Greece this summer can expect long delays at Athens airport because of a dispute involving air traffic controllers, a union spokesman said Thursday.

"The delays range between one and four hours for almost all incoming and outgoing flights during the summer season," said Manolis Antoniadis, a spokesman for the union.

Delays are due to a refusal by controllers to work overtime, an inadequate radar system at the Athens tower and a 30 percent increase in flights during the summer, he said.

Three men were gored in Pamplona, Spain, as hundreds dashed ahead of six fighting bulls in the opening of the annual San Fermín festival of drink, dance and machismo. All three underwent emergency surgery. (AP)

Greece has extended a ban on private cars in central Athens in a bid to prevent air pollution as the hot, windless weather continued. Only half the city's taxis will be allowed into the city center from 7 A.M. to 3 P.M. Friday. Temperatures of up to 37 degrees centigrade (99 degrees Fahrenheit) were expected Friday. (AP)

Air traffic to Niamey, the Niger capital, was interrupted by a 48-hour strike that started Thursday, but authorities refused to officially close the airport. An Air France Airbus A-300 arriving from Paris landed despite the absence of fire crews and other ground staff, members of the civil aviation union said. (Reuters)

The St. Gotthard road tunnel has reopened after a truck blaze forced the closure of one of Europe's most important traffic routes. Police, however, warned about traffic jams. (Reuters)

## Vatican Begins Birth-Control Battle

The West Is Accused of Practicing 'Biological Colonialism'

Reuters

VATICAN CITY — The Vatican, gearing up for a fight with the United Nations at a conference on population, accused the West on Thursday of "biological colonialism" by pushing abortion and contraception as family planning methods.

The attack came in the introduction of a new book on scientific studies of natural birth-control methods, the only kind of contraception approved by the Roman Catholic Church.

The book was presented at a news conference. The introduction to the book restated Vatican charges of "blackmail" by developed countries, which it says sometimes link economic aid to the acceptance of contraception.

The introduction said developed nations resisted natural family planning because it offered "liberation from one of the most insidious forms of political domination, the biological colonialism" which is exercised with regard to procreation.

It was written by Cardinal Alfonso López Trujillo, head of the Pontifical Council for the Family, to introduce the findings of a 1992 Vatican-sponsored conference on natural birth control. Led by Pope John Paul II, Roman Catholic Church leaders around the world have launched a campaign to influence a UN population conference to be held in Cairo in September.

The UN conference will present a 20-year plan to stabilize the world's population. Programs will include the right to safe abortion, contraception, primary health care for women and infants, and "a global facility" for contraceptives.

Cardinal Trujillo's introduction suggested that governments of developed countries opposed natural family planning methods "because they go against powerful industrial, economic and financial interests."

Family, to introduce the findings of a 1992 Vatican-sponsored conference on natural birth control. Led by Pope John Paul II, Roman Catholic Church leaders around the world have launched a campaign to influence a UN population conference to be held in Cairo in September.

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## France Removes Police Official

The Associated Press

PARIS — The head of the police intelligence service was dismissed Thursday following disclosures that his agency eavesdropped on a closed-door meeting of the opposition Socialist Party's leadership.

Claude Bardot, a senior French police official, will be reassigned at a later date, said Interior Minister Charles Pasqua, who also removed a lower-ranking commissioner in the intelligence service.

Mr. Pasqua acted after harsh criticism from Socialist lawmakers on Wednesday when he tried to minimize the June 19 incident. He attributed it to the "individual initiative" of an officer in a conference center security room equipped with a speaker on which he could hear the deliberations. The Socialist Party leader, Henri Emmanuelli, described Mr. Pasqua's explanation as "unconvincing."

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# THE AMERICAS / 'FINAL REHEARSAL'

## U.S. Commandos Trained for Invasion of Haiti

By Michael R. Gordon  
New York Times Service

WASHINGTON — Stepping up preparations for a possible intervention in Haiti to remove its military leaders, U.S. forces have rehearsed a plan to seize airfields and ports there, according to Pentagon officials.

One military expert described the exercise as a "final rehearsal" and said the proficiency demonstrated would remain high for three to six weeks; after that, more training would probably be required.

The exercise, which involved more than a thousand commandos who would most likely serve as a vanguard, took place two weeks ago in the southeastern United States and the Gulf of Mexico, the officials said.

A battalion of army Rangers flew from Savannah, Georgia, and "seized" an isolated airfield at Eglin Air Force Base, in Florida, which was intended to represent the airfield at Port-au-Prince, Haiti's capital. Navy commandos operating from ships in the Gulf of Mexico practiced capturing a port.

Army Rangers conducted the same kind of exercises at Eglin just before the United States invaded Panama in December 1989 to overthrow General Manuel Antonio Noriega.

The administration says it is still pursuing economic sanctions in the hope of forcing the military leaders to step down. But officials have warned that they are keeping open the option of using force to restore to power the president, the Reverend Jean-Bertrand Aristide, and stem a flood of Haitians that is overwhelming refugee centers in the Caribbean.

As long as the administration

continues to hold out the possibility of military intervention, the Pentagon must be prepared to execute it, but military officials say the White House has not yet decided on an invasion.

U.S. officials said the invasion plan calls for about 20,000 troops, most from the army. The first task would be to seize airfields and ports so an invasion force could be deployed.

In addition, 2,000 Marines now being dispatched to the coast off Haiti, officially to be prepared to evacuate Ameri-

cans, include troops trained in special operations. Admiral J. Michael Boorda, the chief of naval operations, sent a message on Tuesday to the Marines and sailors en route to "be prepared for at least 30 days of operations."

The 82d Airborne Division, which was used during the invasion of Panama, is trained to deploy quickly to trouble spots. Officials said it would be well suited to serve as the larger invasion force.

U.S. officials said the re-

hearsal by the special forces included a Ranger battalion, which normally numbers about 900 men.

The C-130 planes that carried the Rangers flew for about the same amount of time they would fly if they went to Haiti. Then the Rangers parachuted at Eglin to "seize" the airfield.

Officials said the rehearsal also involved about eight Army Special Forces A-Teams, which are 10-man commando units. Two navy commando teams, each of which had about 120

men, were also involved, and numerous support units.

In all, more than 2,000 troops were directly or indirectly involved.

The Pentagon declined to comment directly on the rehearsal.

Reflecting the White House's sense of urgency, William H. Gray 3d, President Bill Clinton's special envoy on Haiti, said Wednesday in a television interview that the military leaders must leave within six months.



A Marine labeling crates for ships at Camp Lejeune, North Carolina, as about 2,000 members of the 24th Marine Expeditionary Unit prepared to deploy to waters off Haiti.

## Argentines Say 'Boom' Is a Mirage

By Nathaniel C. Nash  
New York Times Service

BUENOS AIRES — They came from the steamy jungles of the north, the mountainous areas of the west and the frigid expanses of the south, tens of thousands of Argentines to protest to President Carlos Saul Menem that they feel excluded from the economic turnaround that Argentina has seen over the last three years.

Riding for days in convoys of cars and buses, a crowd variously estimated at 30,000 to 60,000 finally arrived in the center of the capital Wednesday afternoon, marched down Avenida de Mayo and gathered outside the presidential residence, the Casa Rosada, in the largest demonstration against Mr. Menem in more than three years.

Though Mr. Menem said the march would not change his thinking, it was a sobering event for his government, a reminder that while the country's economic growth has been strong, poverty is still entrenched and many from the lower middle-class have slipped into the ranks of the poor, leaving the country deeply divided.

"Menem says things are getting better all the time, but for us in the provinces, things are getting worse all the time," said Alicia Mayal, a state worker from Tierra del Fuego, in the far south.

"We are poorer now than three years ago, and we have fewer jobs."

Fearing violence and congestion, the police closed the center of the city to most traffic for scores of blocks. An estimated 20,000 officers backed by armored cars mounted with water cannon lined the streets.

There were no reports of violence, and after the two-hour protest, the demonstrators disbanded peacefully.

The crowd filled Plaza de Mayo, where throngs had gathered in the 1950s to cheer Juan Peron and his wife, Eva; where military leaders were cheered when Argentina invaded the Falkland Islands in 1982, and where the mothers of Argentine leftists who had disappeared marched in silence every Thursday during Argentina's "dirty war" in the 1980s.

There were unionists of all kinds, representing state workers, teachers, truck drivers, pharmaceutical workers, electricians and farmers. There were rightists, Communists, Socialists and homosexual organizations.

The protesters betrayed anger and frustration in their voices as they stood in the cold, beating drums, chanting and holding banners.

They talked of their salaries, which they said did not cover living expenses, and their sense that in many provinces, there was no economic future.

They spoke of corruption among government leaders and the vast new wealth that many entrepreneurs in Buenos Aires are accumulating.

## Floods Ravage Central Georgia

The Associated Press

AMERICUS, Georgia — Raging floodwaters turned towns into islands and killed at least 18 people, some of whom were swept to death as bystanders watched helplessly.

About half a million people were left without safe drinking water.

The death toll from the floods in southern and central Georgia rose with the discovery of five more bodies in Americus. Seven people were swallowed up by floodwaters Wednesday near the town, which got 23 inches (59 millimeters) of rain in 24 hours.

Four people were missing, Fire Chief Steve Moreno said.

The flooding, caused by heavy rains from the remnants of the tropical storm designated Alberto, forced hundreds of people from their

homes, washed out roads and bridges and sent flash floods racing across the sodden earth. Governor Zell Miller declared 30 of the state's 159 counties disaster areas. More rain fell Thursday for the fourth straight day.

Damage to public facilities like water plants, roads and bridges was estimated at \$58 million. There was no immediate estimate for homes or businesses.

The flood made an island of Americus, less than 10 miles (16 kilometers) from the home of former President Jimmy Carter. In the town, helpless bystanders watched a screaming woman clutching a baby slip into the rumbling Town Creek.

The bridge had just washed out and the woman stood on her car as it slowly slid down the bank. The woman and her child were among the missing.

## 13 Fire Fighters Die on Colorado Peak

Compiled by Our Staff From Dispatches

DENVER — Trapped by a wall of flames, 13 fire fighters died and three others were missing in a swift-moving forest fire near Glenwood Springs, Colorado, the authorities said.

It was the worst disaster of its kind in the United States in more than 50 years.

The blaze also injured three fire fighters among the team of 50 smoke jumpers, a crew of Bureau of Land Management fire fighters trained to parachute into hard-to-reach areas.

They were trapped late Wednesday about 7,000 feet (2,150 meters) up the rugged slopes of Storm King Mountain. The terrain left no place to flee, said the Garfield County undersheriff, Levy Burris.

Survivors escaped to burned-over ground and sheltered themselves under fireproof blankets.

By Thursday morning, more than 60 homes had been evacuated as the fire spread eastward, engulfing more than 2,000 acres (800 hectares) and threatening the town of 6,000 people.

The fire was sparked by lightning Sunday in a grove of trees, and burned slowly until it was fanned by hot, dry winds gusting to more than 30 miles an hour (50 kilometers per hour) Wednesday afternoon. What had been a relatively small blaze suddenly turned on the fire fighters.

Mr. Burris said the fire fighters died when flames crested a steep ridge and "just exploded over their positions."

About 7,000 fire fighters, 38 helicopters and 32 aerial tankers were on the fire lines in Arizona, New Mexico, Colorado, Wyoming, Montana, Idaho, Utah, Nevada and California. (LAT, AP)

## Police in N.Y. Looked the Other Way

Corrupt Officers Acted Like Street Gangs, Report Finds

By Clifford Krass  
New York Times Service

NEW YORK — A "willful blindness" to corruption throughout the ranks of the New York City Police Department has allowed highly organized networks of rogue officers to deal in drugs and prey on black and Hispanic neighborhoods, according to the final report of the commission that investigated the department.

"Scores of officers told us that they believed the department did not want them to report corruption, that such information was often ignored and that their careers would be ruined if they did so," the Molten Commission on police corruption said in its report. "The evidence shows that this belief was not unfounded."

The panel's report on its two-year investigation was particularly powerful in its criticisms of sergeants and other commanders of five precincts found to be riddled with corruption. And it took to task the police union — the Patrolmen's Benevolent Association — and the department's own internal investigative apparatus for trying to curtail anti-corruption efforts.

The report, formally released Thursday, reiterates the conclusion the panel reached in December's interim findings: that most officers in the 31,000-member force are honest, despite the existence of corruption.

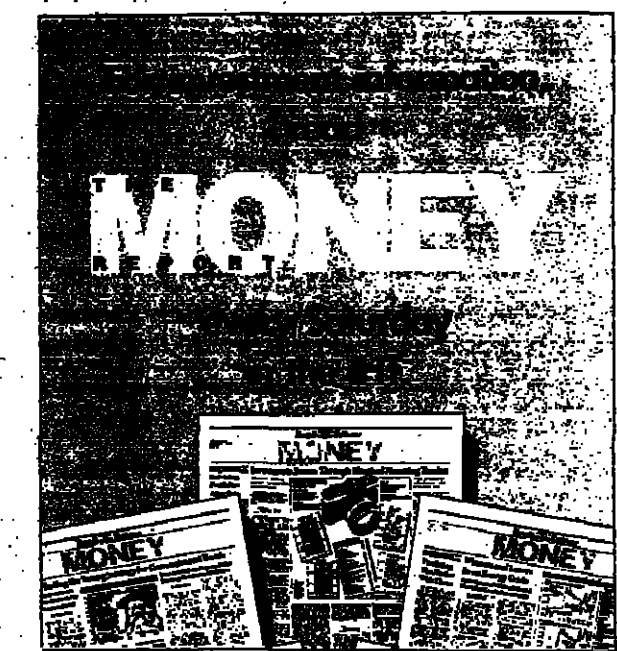
But the final report draws a detailed picture of well-organized

nized groups of rogue officers racing to crime scenes to skim money from captured stashes of cash, union delegates tipping off corrupt officers to investigations, young cadets learning in the police academy that they are not to "rat" on their brother officers, and internal police investigators concealing evidence of corruption.

The panel recommended the city establish an agency, independent of the police department,

with broad powers to investigate corruption and to ensure officer accountability in corruption cases, as well as to monitor officer screening, recruitment and training.

Perhaps the most disturbing finding of the report, which was based on a study of internal police documents and corruption investigations, was the existence of well-organized police "crews" that terrorized black and Hispanic neighborhoods.



## POLITICAL NOTES

### Rostenkowski Maps Tactics

WASHINGTON — Defense lawyers for Representative Dan Rostenkowski told a federal judge they will mount a legal attack on his 17-count corruption indictment on constitutional grounds, a maneuver likely to delay the start of his trial until after the November elections.

A former U.S. attorney, Dan K. Webb, who is the chief defense attorney, said he would file legal arguments within 30 days claiming the charges violated Mr. Rostenkowski's protections under the speech and debate clause of the U.S. Constitution, which shields members of Congress from being prosecuted for conduct related to legislative activity.

Although Mr. Webb and a new co-counsel, R. Kenneth Mundy, insisted they want the case resolved expeditiously, Mr. Webb said, "We're not going to be stampeded and see a defendant denied his constitutional rights."

Mr. Mundy, making his first appearance in the case, is one of the capital's best-known lawyers. He helped the former Washington mayor, Marion Barry, defeat the most serious charges against him in his 1990 trial on drug and perjury charges.

At a court hearing Wednesday, District Judge Norma Holloway Johnson

told prosecutors and defense lawyers "we've got to move forward" to get Mr. Rostenkowski to trial on fraud and embezzlement charges. But authorities said the schedule of legal briefs she established for both sides makes it virtually impossible for Mr. Rostenkowski to be tried before the November elections, when the powerful Illinois Democrat is seeking a 19th consecutive term.

Judge Johnson gave Mr. Webb until Aug. 5 to file his first challenge to the indictment, after which the government will have until Sept. 2 to respond. Oral arguments are likely to be held during September, the judge said. (LAT)

### '92 Campaigns Are Cleared

WASHINGTON — Allegations that President Bill Clinton's and former President George Bush's 1992 campaigns broke federal election laws were among 29 cases that have been thrown out without investigation. The Federal Election Commission closed those cases on Wednesday, saying they involved low priority matters. The increasing complexity of campaign finance law and the record number of people running for public office have forced the office to be more careful in selecting which cases to pursue. (AP)

### A Senator's Freudian Slip

WASHINGTON — Congressional consideration of military spending in the post-Cold War era often involves balancing Pentagon desires with the impact on jobs.

As Senator Dianne Feinstein, Democrat of California, demonstrated last week, the line between those two can become blurred for lawmakers from states hit hard by military cutbacks. During floor discussion on whether to continue building B-2 Stealth bombers — against the wishes of the Pentagon — Ms. Feinstein praised the aircraft, saying that it "can deliver a large payroll."

The verbal slip was amended in the next day's Congressional Record to read "payoff." California would retain 22,000 high-paying jobs and \$2.5 billion in defense contracts if the Senate's vote on July 1 to build long-range bombers is adopted by the House. (LAT)

### Quote/Unquote

Admiral Henry Chiles, the first naval officer to be put in charge of the U.S. nuclear missile arsenal: "You could say I'm out of water, but there's lots of other things to be concerned about." (AP)

### Away From Politics

● The pilot and co-pilot of the USAir DC-9 that crashed near Charlotte, North Carolina, killing 37 passengers, refused blood-alcohol tests later, a National Transportation Safety Board spokesman said. The tests are optional.

● Unions representing 6,500 employees who operate bus and rail lines in the Los Angeles region set a strike deadline of

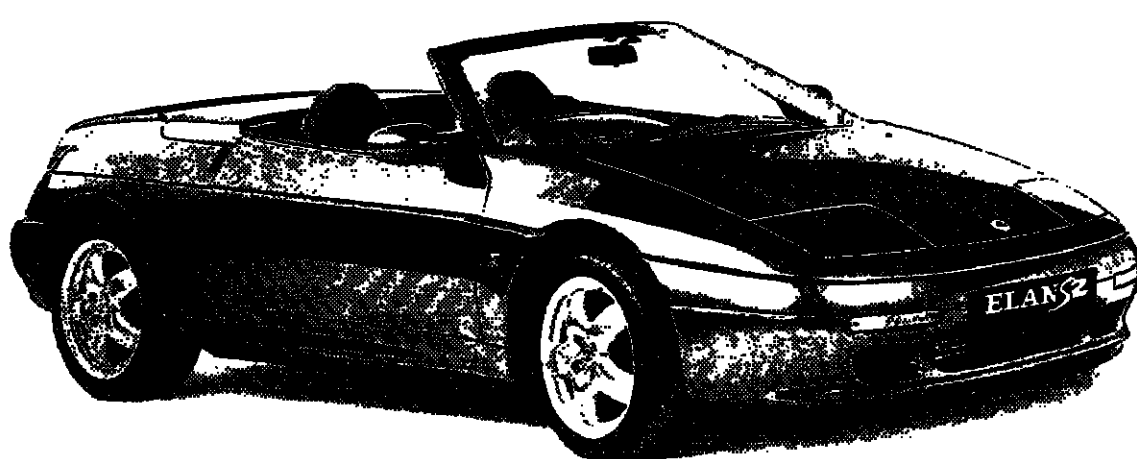
July 18 unless agreement is reached on new contracts.

● More evidence of links between Parkinson's disease and pesticide exposure has been revealed in a new study of brain tissue at the University of Miami. Six of 20 infected specimens revealed the presence of Dieldrin, a pesticide that, like the better known DDT, was banned in the United States in 1972.

● Weather was the sole concern for the planned launch Friday of the space shuttle Columbia at Cape Canaveral, Florida. The shuttle will carry seven astronauts and thousands of fish, newts, toad eggs and baby sea urchins on a laboratory research mission. The weather officer put the odds of a launch at 60 percent.

LAT, AP, Reuters

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## Aden's Fall to North Provokes Fears of Regional Instability

By John Lancaster  
Washington Post Service

WASHINGTON — Yemen's two-month civil war appeared to be winding down Thursday, as northern Yemeni troops gained control of the port city of Aden, stronghold of southern forces seeking to secede from the country.

The north's capture of Aden followed intensive artillery duels that cut off water supplies to the city's 400,000 residents and raised fears of a humanitarian catastrophe. In the last several days, however, the south's defenses appear to have collapsed, and northern troops met little resistance as they moved into the city on Thursday, according to wire reports.

Despite its military victory, the north faces a difficult challenge as it seeks to preserve the fragile unity of Yemen, formed four years ago by the merger of conservative North Yemen with Marxist South Yemen, where the country's limited oil wealth is concentrated.

Leaders of the secessionist south were reported to have fled Aden by boat to neighboring Oman, where they vowed to continue fighting against northern forces controlled from the Yemeni capital of Sana'a.

That, in turn, has raised fears of a protracted guerrilla war that could spill over into neighboring Saudi Arabia, undermining stability throughout the vital, oil-producing region.

A diplomat familiar with the region said the fall of Aden does not mean the civil war is over. "The war has just begun," he said.

Saudi Arabia and its Western allies, including the United States, fear that radical governments in Iraq, Iran or Sudan could seek to expand their influence in the region by stepping in on the side of the north, possibly using Yemen as a base from which to infiltrate its wealthy neighbor.

Saudi Arabia has long had a troubled relationship with the Yemeni president, Ali Abdullah Saleh, who is from the north and supported Iraq during the 1991 Gulf War.

U.S. officials have expressed concern that Saudi Arabia and its Gulf allies may formally recognize South Yemen and possibly provide its forces with arms, prolonging the conflict.

A State Department official who asked not to be identified said Thursday that while reports on the situation in Yemen were sketchy, "it appears the fighting has now ended."

The official added, "The fo-

cus is on addressing humanitarian concerns, restoring essential services to all Yemenis and initiating the political dialogue necessary to affect a reconciliation."

The fighting ended at daybreak on Thursday, and by afternoon residents of the city were lining the streets to wave victory signs at northern troops, according to Reuters.

In Sana'a, the northern government announced the end of the war, while in Washington a spokesman for the Yemen Embassy said northern forces had begun distributing food and water to Aden and outlying areas.

## China's Li Ducks German Protesters

WEIMAR, Germany — Prime Minister Li Peng of China snubbed Berlin's mayor at the Brandenburg Gate and cut short a visit to Weimar on Thursday as demonstrators at both sites protested Beijing's human rights record.

The protests were the first serious demonstrations Mr. Li has seen in Germany after three days of meetings with German politicians and businessmen eager to tap China's huge market.

A surprised Berlin mayor, Eberhard Diepgen, was left waiting for Mr. Li's party at the Brandenburg Gate, the symbol of the Cold War that he was due to walk through.

About 200 German and Chinese protesters stood near the gate with banners in both languages proclaiming "Mass Murderer Li Peng," "Butcher of Tiananmen" and "Freedom for Tibet."

But Mr. Li, widely regarded as responsible for the bloody crushing of pro-democracy protests in Beijing's in 1989, ducked the stroll and flew to Weimar.

In Weimar, an historic cultural center, a protester with a T-shirt reading "Li Go Home" threw himself in front of the prime minister's cavalcade just as it pulled up to the former home of the classical playwright, Johann Wolfgang von Goethe.

Police dragged him away. The Chinese prime minister cut short an address by the museum curator, Bernd Kauff-

By R. Jeffrey Smith  
Washington Post Service

WASHINGTON — U.S. surveillance satellites observed an unusual development in 1992 at the site of North Korea's newest nuclear reactor — workmen suddenly began demolishing new walls and rerouting recently laid pipes so they could swiftly install electric turbines in a new room.

The construction, on the eve of a visit by international nuclear inspectors, essentially grafted onto the completed structure some power-generating equipment that U.S. officials say was meant to perpetrate an elaborate but not very successful ruse.

By giving the plant the appearance of a reactor meant to generate electricity, the turbines were apparently meant to shore up a longstanding North Korean contention that its nu-

clear program is exclusively peaceful, despite some obvious signs of substantial weapons work.

The deceptive construction lies at the heart of a key issue for negotiations between North Korea and the United States beginning Friday in Geneva — namely, how legitimate is North Korea's claim that its nuclear program must be maintained to provide electricity?

Washington is convinced that the 200-megawatt reactor is being built solely to produce plutonium, a key ingredient of nuclear arms. U.S. officials note that no effort has been made to connect the reactor to the nation's power grid. Other nuclear facilities also lack any connection to electricity generation.

Nevertheless, senior U.S. officials say they are willing to go along with the lie in hope of striking a deal that would replace the reactor with a less

threatening one and ease a major U.S. foreign policy headache.

In the talks on Friday, they said, Washington is prepared to offer North Korea a pledge of assistance in obtaining new nuclear technology so Pyongyang can build a reactor more suited to generating electricity than building bombs.

"The attitude is, 'If that's what they want, that's what we'll give them,'" a senior U.S. official said of North Korea's demand for assistance in building a more modern, replacement reactor.

In exchange, Washington wants North Korea to promise that work on the worrisome reactor will be halted and the structure dismantled according to an agreed timetable; the United States also wants dismantling of a separate, 25-megawatt reactor and a laboratory for reprocessing reactor fuel to separate plutonium.

But skeptics in the administration and on Capitol Hill have argued that the prospective deal could pose substantial risks for Washington.

They suggest that North Korea is merely trying to buy time for its nuclear weapons work by tying a final resolution of the nuclear dispute to completion of the replacement reactor in around 10 years.

Senator Phil Gramm, Republican of Texas, is among those raising questions. He maintains that the nuclear capacity of North Korea exists solely for the purpose of making plutonium and has never been attached to the national power grid.

"The argument that they will be hampered in electricity production by shutting down the reactor complex is ridiculous," Senator Gramm insists.

The decision to make dismantling of the 200-megawatt reactor a focus of the Washington proposal reflects

the conviction of senior officials, particularly at the Defense Department, that cutting off North Korea's capability to make plutonium — and feasible — than finding any plutonium it may have made already.

It was North Korea's refusal to allow an inspection of the smaller, 25-megawatt reactor to assess its previous plutonium production that triggered a crisis last month. That dispute abated only when Washington agreed to new talks while holding possible economic sanctions in abeyance.

"Anybody who is anticipating a prompt outcome to the negotiations will be disappointed," John D. Holm, director of the U.S. Arms Control and Disarmament Agency, said to reporters on the eve of the talks. He said the discussion will be a "long slog," Reuters reported.



INTO THE LIMELIGHT — Tomiichi Murayama, the newly elected prime minister of Japan, getting his first honor guard reception abroad upon his arrival Thursday in Naples.

## G-7: Are the Governments Becoming the Governed?

Continued from Page 1

ernments to adopt and follow only those policies defined as credible by the marketplace.

Yet although governments clearly are losing leeway to do as they please to suit domestic political goals, it's not certain they are prepared to act together.

Indeed, while official attention focuses on ways to control the many new financial instruments that have raised fears of this instability, many financial analysts now conclude that policy makers are looking at the wrong end of the problem.

What is needed, they say, is for the countries themselves to

get their houses in order. Governments must accept the notion that an integrated global marketplace requires domestic policy to be coordinated and consistent across borders.

To be sure, history is rife with periods of market turmoil that required governments to change policies. The most recent example was the 1992 exchange-rate crisis that resulted in the devaluation of sterling and the lira. A decade earlier, repeated devaluations of the French franc obliged the Socialists to adopt policies as conservative as their right-wing opposition.

The so-called external constraint has always existed. What is new is the speed with which markets react nowadays and the instantaneous transmission across borders. What's more, the United States — whose insulation from such insouciance infuriated the French in the 1960s — is as obliged as any other nation to keep faith with investors.

This is the result of the internationalization of capital movements which is unlike anything seen since the early years of this century, the revolution in information systems and communication technology, and the innovation in financial products — notably the complex hedging instruments used to defray the risk of changes in interest or currency rates, or prices of stocks or commodities.

While official attention has been focused on ways to harness the interaction of markets through possible controls on the new financial instruments, no less an expert than the head of the Basel-based Bank for International Settlements has warned that policy-makers are looking at the wrong end of the problem.

"Credible policies," said Andrew Crockett in the BIS annual report, are what are needed. "If capital market innovations demonstrate the need for stable monetary policies,

implemented in a medium-term framework."

Elaborating in an interview, he said: "It means that government will have to deal with unwelcome developments by making sure economic fundamentals are correct and mutually consistent across countries — and that can't be bad."

Alexandre Lamfalussy, who heads the European Monetary Institute, the fledgling European central bank, disputes the view that all erratic price movements are caused by policy mismanagement. Nevertheless, he agrees that "the best way to avoid asset market 'bubbles' is to stick to a cautious monetary policy."

"This may not eliminate all misalignments nor significantly reduce short-term volatility, but it would at least mean that monetary policy ceased to be a contributory factor to both types of disturbance."

But Mr. Lamfalussy also points out the difficulty that lies ahead. "In a world of rigid fiscal policies, international agreement on a correct configuration of policy mixes will be even harder to come by than agreed on the appropriate domestic policy mix."

This is one of the principal issues in international relations — the experts call it the question of burden-sharing. Is the nation running a balance-of-payments deficit that needs to be adjusted by devaluing its currency and cutting domestic demand? Or should the nation running a surplus share in the required adjustment?

The inability to negotiate this question was the undoing of the postwar Bretton Woods system of fixed exchange rates. The move to a system of floating exchange rates was supposed to resolve this problem, but governments quickly realized it was a mistake to leave such a key price as the exchange rate to the vagaries of the market. The issue remains as alive as ever.

## DRUGS: Pretoria's New Problem

Continued from Page 1

by hand and foot," said Lieutenant Colonel Stephanus Smith, who heads the 22-member drug unit at the airport. "We would love to have more modern equipment."

He keeps photographs of the emergency operation that doctors performed here last year on a man who was apprehended at the airport because he was sweating profusely and fit the profile of a drug runner. It turned out he had swallowed 30 condoms full of cocaine and they had created a blockage in his stomach. "If we hadn't arrested him, he'd be dead now," Colonel Smith said.

Despite occasional successes, Colonel Smith said he does not delude himself. Police made 236 arrests nationwide for cocaine dealing last year, more than double the number in 1992, but officers believe that to be the tip of the iceberg.

In addition to its new taste

for cocaine and LSD, South Africa has also become a major importer of Mandrax, a highly addictive sedative pill.

The encroachment of the outside world is only part of South Africa's drug problem.

Police say marijuana is the biggest cash crop throughout southern Africa, where soil and climate conditions enable a powerful brand of the weed, called dagga, to grow wild.

"The psychoactive substance is as much as 11 percent in the dagga grown in this country, as opposed to 2 percent in most other parts of the world," one expert said. "Our problem with dagga is not epidemic, it's endemic."

## Bosnia's Leadership Backs Partition Plan

The Associated Press

SARAJEVO, Bosnia-Herzegovina — Leaders of the Muslim-dominated government of Bosnia recommended Thursday that Parliament accept a peace plan demanded by the United States, Russia and European powers.

The plan was delivered to Bosnia's warring factions Wednesday with an ultimatum that they accept it or face tougher sanctions.

Acceptance at a July 18 session of the Bosnian Parliament would increase pressure on ethnic Serbs, who dislike the plan because they would have to give up land.

The plan would give Serbs 49 percent of territory, compared to the more than 70 percent they now control after 27 months of war following Bosnia's secession from Yugoslavia.

The Muslim-Croat federation would get 51 percent. With President Alija Izetbegovic and Prime Minister Haris Silajdzic backing the proposal, approval by Parliament appeared probable.

Even though the plan allows the Serbs to keep territory from which they forcibly drove tens of thousands of Muslims during the war, Mr. Izetbegovic indi-

cated it was acceptable because it is even harder on the Serbs.

"The plan is less favorable to them than it is to us," he said. Mr. Silajdzic said many points remained to be discussed with the plan's sponsors — the United States, Russia, Britain, France and Germany — but most of the Bosnian government's goals had been achieved.

"Because the positive elements, including their momentum, prevail over the negative elements, I'm going to recommend acceptance by Parliament," Mr. Silajdzic said.

He said the difference between this plan and earlier proposals was that the international community was more serious this time and that assurances were included upon implementation of the agreement.

"The positive element is that the state of Bosnia-Herzegovina will be maintained," Mr. Izetbegovic said.

The Bosnian Serb leader, Radovan Karadzic, denounced the proposal Wednesday as "an absolute American dictate."

Speaking to reporters in Belgrade on Thursday, he said his delegation would not immediately throw out the package and would use a two-week deadline to consider its response.

## HAITI: Is Clinton Ready to Invade?

Continued from Page 1

top found a way to deny them the opportunity to settle in the United States eventually by finding refuge for them in other countries.

Senior administration officials admit that Mr. Clinton's decision to divert refugees to third countries is at least a temporary solution that buys a few more weeks or months to test whether the strategy of painful economic sanctions will topple the military.

By contrast, the decision to send a landing force of 2,000 Marines into the Caribbean and statements by Mr. Gray that U.S. forces in Haiti must be protected at all costs, move the United States closer to action.

Mr. Clinton is hoping that what his "senior" aides call a "credible threat of force" to restore the exiled president, the Reverend Jean-Bertrand Aristide, will somehow persuade Haiti's military leaders to leave the country quietly. Instead, it may simply push Lieutenant

General Raoul Cédras to call Mr. Clinton's bluff by threatening the lives of Americans.

The administration has created a situation it may not be able to control, said Robert G. Torricelli, Democrat of New Jersey, who has been highly critical of the administration's policy to try to restore President Aristide to power. "Armed intervention is becoming its only option."

Still, Mr. Clinton is said to be ambivalent about whether he should exercise his prerogative as commander in chief and order the use of force in Haiti. According to people familiar with his thinking, he has vowed not to let the Haitian crisis become a vehicle for overcoming lingering skepticism about his attitude to the use of force stemming from his opposition to the Vietnam War and his avoidance of the draft. On the other hand, he has told intimates that he is not willing to prove the skeptics wrong by risking people's lives.

## TRIAL: Police Evidence Allowed

Continued from Page 1

location," Judge Kennedy-Powell said. "But the testimony, as elicited by the officers and as supported by the witnesses that testified on behalf of the defense, show this was not what happened."

The ruling was an important victory for the Los Angeles Police Department, which was severely criticized not only for how it conducted the Simpson investigation but also for allowing Mr. Simpson to flee the day he was supposed to surrender.

Judge Kennedy-Powell upheld the "rationale" behind the detectives' decision to enter the gated Brentwood estate after they were unable to get a response on an intercom and by telephone early on the morning of June 13.

Detectives testified they had just been at the scene of the slayings of Mrs. Simpson and Mr. Goldman and became alarmed at discovering blood on the car at Mr. Simpson's home. When they received no answer over the intercom and telephone, they said, they entered the estate without a search warrant.

The police can enter a home or property without a warrant if they are pursuing a suspect, think evidence will be destroyed or believe that someone is in jeopardy.

The officers went to get a search warrant? Deputy District Attorney Marcia Clark asked the judge before the ruling. "What would we have said? We would have said they were derelict in fulfilling their duties."

But a Simpson lawyer, Gerald Uelman, warned against letting the government break the law, saying it would encourage citizens to do the same.

"Again and again, we hear the detectives say, 'Well, we didn't know what we have, we didn't know what happened in these premises,'" Mr. Uelman said. "I don't know what they had. I don't know what they didn't have. They didn't have a search warrant."

In other developments: • The former manager of the Chicago hotel where Mr. Simpson stayed after the killings was quoted Thursday as saying the police found bloody sheets and pillowcases in the room. They seized the items, along with a glass that Mr. Simpson later said he cut his finger on, as pieces of cut paper, Peter Phillips told the Boston Herald.

• CBS News reported that three polls it took in the last three weeks showed that Americans increasingly doubt Mr. Simpson could get a fair trial, primarily because of media coverage. The latest poll on Tuesday of 601 adults showed 51 percent saying a fair trial was impossible, 39 percent saying it was possible.

## CLINTON: Poles Take President's Assurances as Only a Small Gesture

Continued from Page 1

toward a historic expansion of the alliance. He also promised more directly than ever before that he would not permit Russia to prevent Poland from becoming a member.

But his speeches represented more an exhortation than a plan of action.

"We must find the will to unit around these opportunities of peace as previous generations have united against war's life-or-death threats and oppression's fatal grip," the president said.

In a dinner toast on Wednesday night, President Walesa had said pointedly that he feared the world had "stopped halfway" in carrying out the transformation of the bloc once bound by communism and the Warsaw Pact. He complained that the West "does not seem to have an unequiv-

cal vision of what our common present and future should be."

In seeking to offer that vision on Thursday, Mr. Clinton praised Poland as having served as a model for its neighbors with its rapid adoption of democratic and market reforms. He also spoke in common cause with Mr. Walesa and others who have sounded alarm at the rise in Russia of Vladimir V. Zhirinovskiy and other extremists.

Mr. Clinton also went out of his way to pay tribute to the heroism of Poles during World War II, laying wreaths at a memorial to those lost in battle and to others honoring those who raise in vain only to be slaughtered by their Nazi occupiers in the Warsaw Ghetto Uprising of 1943 and the Warsaw Uprising the following year.

Aides to Mr. Clinton had billed his speech on Thursday as the major address of his weeklong European tour, and it cut a vast swath in spelling out his commitment to forging what he described as "a continent where democracy and free markets know no bounds, but where nations can rest easy knowing that their borders will always be secure."

But his warning against a "veil of indifference" simply picked up a chorus he began last January in Brussels, while his declaration that no country should have the right to veto Poland's entry into NATO or any other Western institution made only slightly more specific his past insistence that his caution about opening their doors was not based on Russian objections.

## PARIS: Ernest and Scott Mix It Up in Academia — It All Ends in a Draw

Continued from Page 1

all the hidden meanings in things that haven't been said. At the podium, rubicund and nervous, using his lifelong stammer for suspense, Mr. Schulberg, who came up with "I could've been a contender," was remembering what people really said, and what they did.

"This is not literary, this is life," he said.

Mr. Schulberg loved Fitzgerald — whom he met in 1939 in Hollywood when Scott was brought in as script doctor to the younger writer — though he was briefly hurt when he recognized himself in "The Last Ty-

coon." "Hemingway was different," Mr. Schulberg said. "I'm in Key West, and there's a big party for Hemingway. I can see him coming, he's wearing a shirt open to the navel and he had shorts like blue jeans ripped up at the knees. I realize that I'm speaking sacrilege for all the members of the Hemingway Society."

"And the first words I ever heard out of the great man's mouth as he pushed me were, 'What the [expletive deleted] do you know about prizefighting?' And then he pushed me. Quite hard. He didn't punch me, but he pushed me." There was considerably more taunting and pushing, but no punches. "I'm sighing and I'm gasping for breath. I do not believe that fighters should fight. I think they should be paid very well to fight. And I think writers should be paid as well as they can be to write."

Later, one of Hemingway's sons brought Mr. Schulberg a drink and said: "Budd, Papa says he likes you."

The intellectual trade in famous dead bodies has two extremes: The worshipers, who try to read the invisible ink in faded diaries, and the attackers, who write intellectual versions of tabloid exposés — like Andrew Motion's biography of Philip Larkin, or more recently Jeffrey Meyers' hostile book on Fitzgerald.

This conference fell into the worshipping department, and a thoroughly well-behaved affair

it was: Smoke free, fueled by water, debating the finer points of narrative style, with a little frisson perhaps from modernist or feminist or racial interpretations. A little bragging, but no pushing or shoving. Mr. Schulberg was supplying that: "I felt I was trying to get them back to what it was," he said later. "It's not their fault that they weren't there, but the reality of it was so hard, so hard. Ernest was a bully, I didn't go into some of the things."

Mr. Schulberg was an adult when he met Hemingway. He was a man, he was a writer, an expert in boxing, later a friend of Scott Fitzgerald, all things designed to make Hemingway hostile. Of the few other special guests at the conference who actually knew the writers, some saw a softer side: Honora Murphy Donnelly, the daughter of Sara and Gerald Murphy (who figured so prominently in Fitzgerald's life and his fiction), now in her late '70s, knew both Ernest and Scott, as fun, tender men. "My father wasn't into fishing and hunting," she said, "and so Hemingway taught me how to fish and not get disgusted with scaling the fish."

If they saw the darker side, they saw it distantly: "Even at that tender age, I knew that Scott drank too much," said Fanny Myers Brennan, whose parents were close to the writer. "But then my parents had quite a few writer friends who were apt to be —"

"Some people thought that Scott might have been our

Proust," Mr. Schulberg said. "I say with a little bigger heart, a little bigger soul, a little bigger intelligence, [Hemingway] could have been our Tolstoy."

"Our lives intertwined in such a strange way," he went on. "We both oddly enough were in Havana when Fidel Castro was about to come into town." Some years before, Mr. Schulberg's first wife, Virginia, had left him for another writer, and then had a brief affair with Hemingway. "Then she died in a terrible death, burned, a nightgown, cigarette."

"And the night that Fidel came in, I looked up and here again is the great writer, and in a way my nemesis, and he says to me, I hear that [the writer Schulberg's wife left with] was not at the funeral, and I said, well I heard that too, and Ernest Hemingway said, I think that is wrong, one thing we do, we bury our dead. And as he said that I thought: I don't care how great a writer the son-of-a-bitch is, I think I'm gonna kill him."

Russia Saves Marxist Symbol

The Associated Press

MOSCOW — For purposes of history, a hammer and sickle symbol signifying communism will remain on the building housing the State Duma, Russia's lower house of parliament, Itar-Tass news agency said Thursday. Russia has readopted the former czarist double-headed eagle as a state emblem.



# Forty years ago a seed was planted that today provides shelter and bears fruit for a world of people.

## Japan's Official Development Assistance reaches people in 150 countries around the world.

Back in 1954, Japan started its Official Development Assistance (ODA) after joining the Colombo Plan, for socio-economic development in the Asia-Pacific region. From those early years we've grown up into world's largest aid donor.

Today, as we join the world's other industrialized nations in Naples marking 20 years of Group of Seven economic summits, Japan is proud to be celebrating its own anniversary: 40 years as an Official Development Assistance donor.

### World's number one donor nation.

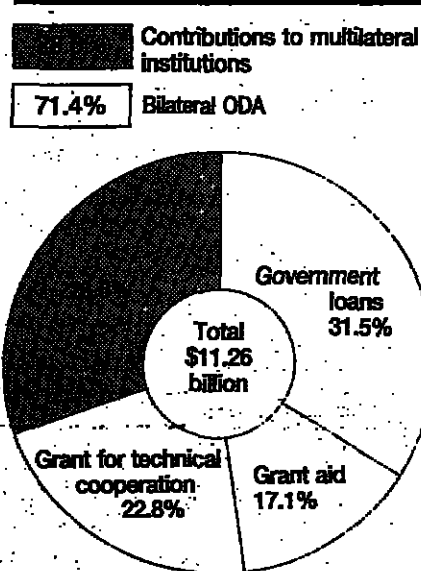
Since 1991, Japan has been the world's largest aid donor. In 1993, we provided 11.26 billion dollars of ODA to over 150 countries around the world, representing one-fifth of the world's total ODA. And we will continue to increase the size and scope of our development assistance. Last year, we announced plans to extend our ODA up to \$70-75 billion in the five year period by 1997. It is our strong conviction that developmental assistance surely brings a better standard of living to the world's 5.5 billion people.

Japan's ODA comes in four basic forms: grant aid, government loans, technical cooperation, and contributions to international organizations. Our grant aid totaled \$1.9 billion in 1993. It includes assistance for basic human needs, such as health and medical care, safe water supplies, and development of farming villages, as well as human resources development and creation of basic socio-economic infrastructures.

Government loans, comprising \$3.5 billion of our 1993 ODA, help finance large social and economic infrastructure projects, such as dams and roads. Such loans have made great contributions to rapid growth in many countries by promoting self-help efforts.

Contributions to international organizations comprised \$3.2 billion of our aid total in 1993. Japan is a major contributor to the United Nations organizations as well as international financial institutions such as the World Bank and the International Monetary Fund.

Japan's 1993 ODA Package



### People helping people in times of need.

In 40 years of ODA participation, we have dispatched over 16,000 experts and 12,000 volunteers overseas to improve human resources in developing countries. Over the years, 83,000 foreign trainees from developing nations have visited Japan to learn the technical skills they need to improve the living conditions in their home countries. We have also fostered development of human resources in former socialist countries to help form market economies. Our total technical cooperation in 1993 equaled \$2.5 billion.

Sometimes Japan's aid can be more direct. When disaster strikes in a developing country, Japan dispatches teams of experts to help with rescue and medical operations there. Japan's ODA also comes in the form of subsidies or Grass-Roots Grants to assist Non-Government Organizations (NGO) in meeting the various local needs of developing countries.

### Self-help and good governance—Japan's ODA philosophy.

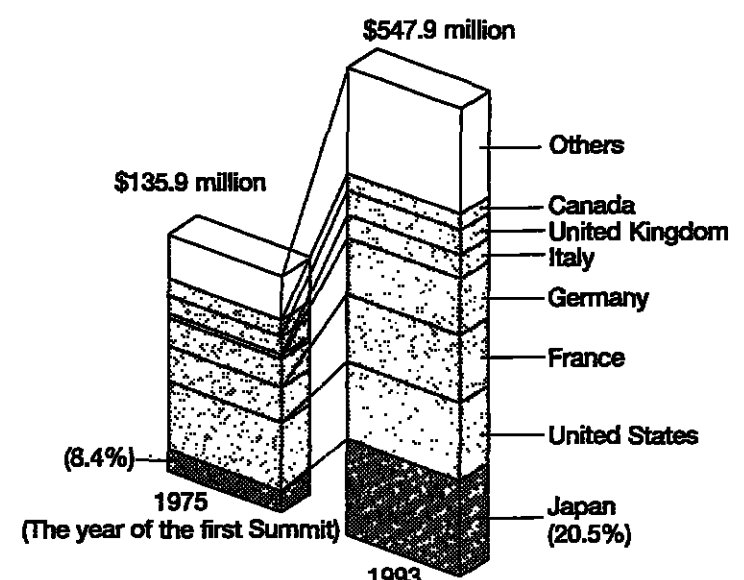
You might wonder what motivates Japan to take the lead in so many different areas of international aid. Besides humanitarian concern and environmental conservation, Japan's ODA is based on recognition of interdependency among nations. It also supports the self-help spirit and good governance on the recipient side. Japan's ODA Charter embodies the following four principles:

- (1) Environmental conservation and development should be pursued in tandem.
- (2) ODA should never be used for military purposes.
- (3) Recipient countries' military expenditures, their development of weapons of mass destruction, and arms trade should be closely watched.
- (4) Full attention should be given to efforts by recipient countries to promote democratization, introduction of market-oriented economies, and secure basic human rights.

### Reliable, plentiful and no strings attached.

Our aid generally arrives with no strings attached. Once aid is provided to a recipient country, the procurement of goods and services is open to anybody in most cases. Japan's untied aid rate at 83.8% is remarkably high among major donor nations. In fact, contracts from Japan-aided projects are won by private companies of various origins, not only from industrialized countries but also from developing countries as well. Japanese companies contracted only less than 30% of all the ODA loan financed projects in 1993.

Group of Seven ODA Results by Year



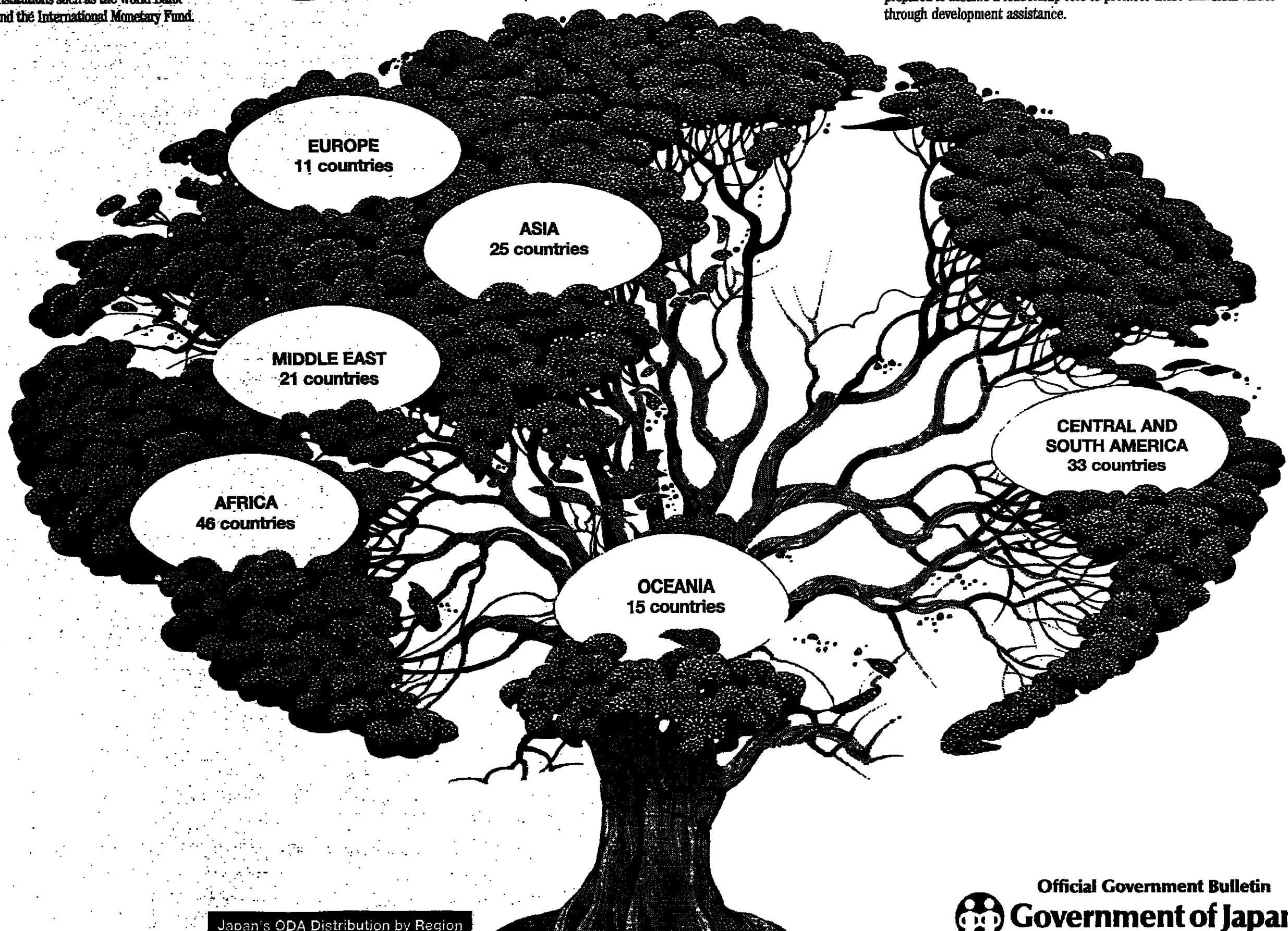
### Taking the lead on new issues.

Despite all the good that ODA creates, traditional recipients still need our help. Additional development needs are arising in such regions as Indochina, Central Asia, South Africa and the Middle East. We are determined to help them meet their challenges.

At the United Nations Conference on Environment and Development in Rio de Janeiro in 1992, we pledged around ¥900 billion to ¥1 trillion (\$7.7 billion at 1992 rate) in environmental assistance to the world over the next five years.

We have been working to improve living conditions, pollution control, conservation of natural environment and disaster prevention. We also promote activities for Women in Development (WID), which helps meet the vital needs of women in developing countries.

If we can make some progress in solving these issues, perhaps we can help more people to experience a more humane life. We believe that prosperity goes hand-in-hand with environmental conservation, economic liberalization, democratization and respect for basic human rights. We are prepared to assume a leadership role to promote these universal values through development assistance.





# Herald Tribune

PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST

## Inequality on the Rise

Of all the rich democracies, there is only one, the United States, in which inequality of incomes rose sharply in the past decade and the wages of the working poor sank. There have been big gains in income for many Americans, but most of those gains have been concentrated in the richest fifth of the population. These trends raise troubling questions about the direction in which American society is moving.

Comparisons of the rich countries' economies generally emphasize the rapid creation of jobs in America and, in contrast, the much higher unemployment rates in Western Europe, where elaborate social protection makes labor markets less responsive to the market. But there is another and darker side to the comparison. Richard B. Freeman of Harvard University and several colleagues at the National Bureau of Economic Research have been looking into the differences in the condition of labor among these countries and describing these trends.

In the 1980s, technology shifted job opportunities in favor of education and skill. That happened throughout the industrial world. But it resulted in major increases in income inequality only in America and in Margaret Thatcher's Britain. Even in Britain the earnings of the poorest workers increased — but not in America. In most of the other countries, the number of well-educated people rose

rapidly. In America the proportion of youngsters finishing high school dropped from the late 1960s to the late 1980s. The number of college graduates, after rising extremely fast in the 1960s, grew much more slowly over the next two decades. The result was a limited supply of educated people in a time of strong demand. American incomes have reflected that.

The drastic decline in union membership in the United States is another factor accounting for greater inequality. But there have been similar declines in other countries — for example, France — where there has been hardly any shift in the balance between rich and poor. In France, the explanation may be fiercely protective social legislation that also pushes up the unemployment rate, now more than 12 percent versus 6 percent in America.

That is the puzzle: to devise ways to prevent the rise of inequality, and to keep the bottom end of the ladder out of absolute poverty, without interfering with the creation of new jobs. While the remedies seem expensive, it is worth considering the costs of the alternative: a country in which the distance between rich and poor grows steadily, with class hostilities and the politics of resentment getting louder. Free markets, including labor markets, do many things marvelously efficiently — but not everything.

— THE WASHINGTON POST.

## Confused Haiti Policy

Give them this. This White House team knows how to upstage a presidential trip. When Bill Clinton was in Europe for D-Day observances, all eyes were on North Korea. This week, as he visited Poland, came news that command units of the U.S. Army and Navy have been practicing a takeover of Haiti's ports and airfields.

It is hard to believe that the Pentagon's willingness to discuss these "secret" maneuvers is not part of a plan to flush Lieutenant General Raoul Cédras and his henchmen out of Haiti. That is a worthy goal, but the timing is amateurish and the underlying message is troubling. Washington and the United Nations have only recently become serious about enforcing meaningful economic sanctions. These need to be given a chance to produce political results. And a new refugee initiative unveiled on Tuesday at least temporarily relieves the political pressure from that direction.

After months of vacillating from one policy to another, the United States faces the troubling prospect that President Clinton is drifting into using troops in Haiti because he wants to compensate for other policy embarrassments and does not have a better idea. Armed force is a notoriously poor tool for solving political problems. Even if U.S. forces, as expected, were to make quick work of General Cédras and his crew, does Washington really want responsibility for enforcing law and order in a volatile, revenge-minded land?

Meanwhile, for refugees it is now America if by land, Panama if by sea. Under the Clinton administration's latest refugee policy, the next 10,000 boat people qualifying for asylum will be sent to Panama. Only those who qualify in Haiti will be eligible for resettlement in America.

The new policy promises larger numbers of people safe haven from terror and persecution; it also continues to discriminate against Haitians, denying qualified refugees the right to resettlement in the United States that is enjoyed by politically more popular groups.

The amended policy comes less than two months after the administration ditched the despicable practice it inherited from the Bush administration of es-

corting would-be refugees back to Haiti with no chance to explain the dangers that spurred their flight. New processing centers were opened in the Caribbean to evaluate refugee claims, about a third of which were found to have merit.

Predictably, that big policy shift encouraged many more Haitians to take to the seas, hoping to qualify for resettlement in the United States. More boats brought more drownings. The increase also threatened to overwhelm the Caribbean facilities and reignited fears in Florida of a large influx of Haitians.

As it amends that policy now to bar qualified boat people from the United States, the administration still offers sanctuary from danger, meeting its minimal moral and legal obligations. Yet if people continue to flee at present rates, the 10,000 slots in Panama could be filled within two weeks.

Meanwhile, the new policy has one big defect. It subjects Haitians to discriminatory treatment because of their race and their lack of the powerful friends who have facilitated resettlement for comparably large groups of other nationalities. Some half a million Cuban refugees, for example, have been resettled in the United States since Fidel Castro came to power. More than 100,000 people have been admitted from the former Soviet Union since 1980 alone. Haitians, in contrast, have long been treated as an unwanted burden, even though many who do get in have achieved economic success. It is only very recently, after the congressional black caucus and Randall Robinson took up their cause, that Washington's policies have begun to bend.

The Clinton administration deserves credit for ending summary returns in May. Its new policy maintains that substantial achievement. But the administration has done the right thing in a way that still reeks of discrimination. It thus invites criticism from all sides rather than the credit it could have gained for upholding the American principle of sanctuary for all in desperate need. And now it adds the confusion of a hunch toward military adventure without enough thought about what might come after the victory parades.

— THE NEW YORK TIMES.

## Other Comment

### Name-Calling in Indonesia

Think of it as progress. When Indonesian Information Minister Harmoko appeared before a parliamentary hearing after having shut down three popular Indonesian weeklies — Tempo, Editor and DeTik — he was greeted with boos and catcalls. Up close, such treatment of a government minister may not look like progress. But in the context of a multiethnic nation caught up in the many conflicts released by development, name-calling is certainly preferable to sticks and stones. And that is a point well worth keeping in mind as Indonesia wrestles with one of the more contentious issues of development: freedom of the press.

We are not insensitive to the dangers in a society like Indonesia, where misinformation and inflammatory articles can easily lead to unrest and even bloodshed. Nor are we blind to the great strides Indonesia has already made; we can think of many Asian regimes where the kind of criticism meted out to Mr. Harmoko

would bring a stiff jail term — or worse. National stability is an important concern. But what seems to get publications in trouble in places like Indonesia is not a penchant for gossip and disinformation but a habit for getting too close to the truth. It hardly seems a coincidence that the three publications each carried stories on Indonesia's minister for research and technology, B. J. Habibie, at the center of a controversy over the purchase of 39 ships from the former East German navy.

We cannot speak for the coverage of these weeklies. What we do know is that Mr. Habibie's economic policies are opposed within his own government by many whose intentions presumably are far from undermining Indonesia's stability. We know, too, that such debate over policy is healthy, and that an emerging middle class has much to contribute. Our guess is that the more such issues are hashed out in the nation's press, Parliament and universities, the less they will be played out violently in the nation's streets.

— Far Eastern Economic Review (Hong Kong).

# A Riskier East Asia for Lack of a New Security Order

By Gerald Segal

HONG KONG — East Asians like to pretend that so long as they get their economics right, all other problems will pale into insignificance. Yet recent events in the region are a salutary lesson that "economophoria" has its perils. East Asian security is at a major turning point, and not all the signs are positive.

The challenge to the old security order of regional security is most evident on the Korean Peninsula. By effectively abandoning the struggle to force North Korea to give up its nuclear capability, and concentrating on preventing the expansion of its nuclear arsenal, President Bill Clinton has in effect decided to tolerate its acquisition of a nuclear capability.

Proclaiming a "breakthrough" while accepting nuclear proliferation is a late 20th century version of Neville Chamberlain's acceptance of "peace in our time." Short-term calm is bought at the expense of the near certainty of long-term risks from nuclear weapons proliferation.

Damage is done to American credibility, not to mention to South Korea's ability to cajole North Korea into peaceful reunification on congenial terms. The prospect of a succession crisis in Pyongyang being waged with nuclear weapons must chill the bones of those who live in Northeast Asia. Elsewhere, confidence in economics is

upset by harsh political realities. Japan's increasingly pathetic attempts to pretend that it has a government have many sources. An important explanation is that Japan's political modernization is catching up with its remarkable economic modernization.

Contrary to the fondest wishes of many authoritarian rulers in East Asia who claim that they are culturally indisposed to political liberalism, it seems that there is a link between political and economic reform. Individual Japanese seek greater political pluralism and a greater share of their national wealth. The shakeout in Japanese society will mean further uncertainty about Japan's direction and its foreign policy priorities.

A third source of worry about East Asian security is the evident unwillingness of Southeast Asians to begin serious discussions about regional security. To be sure, there are new forums for such discussions, but the reality behind the facade is a reluctance to face even halfway difficult choices. A meeting of senior ministers this month will not deal with substantive matters or even attempt to reach a consensus about the agenda for regional security. They cannot even agree on how the various Chinese states should be represented.

The cynics may have been right in believing that what passes for multilateral security in East Asia is little more than an excuse for strengthening national security.

The largest source of uncertainty about the region concerns the fate of China. In a major reassessment of Chinese defense spending, the International Institute for Strategic Studies suggests that China now ranks third in the world. But at the same time as China is pouring money into military research and development, its economy and society are growing more fragmented and fragile. The combination of insecurity and potential military clout is dangerous.

The authorities in Beijing know that they are gradually losing control of their economy as the booming coastal regions flout their authority. They find themselves increasingly forced to import food, and in 1993 China became a net importer of oil.

Interdependence with the outside world is beginning to take hold of important aspects of Chinese foreign policy. China's eventual entry into GATT will carry with it a bevy of conditions on greater transparency in economic policy. The upshot will be a regular wrangle about trade that will make the most-favored-nation debates seem short and sweet by comparison.

A China so constrained is likely to struggle to change the international system and

perhaps compensate for internal fragility with external fractiousness.

As the outside world faces the opportunity to tie China into the international system, Beijing will no doubt seek to take advantage of the disarray in regional security. An East Asia that has no regional order, and that sees a United States increasingly unwilling to bear any military burden that might lead to conflict, will be vulnerable to those prepared to be ruthless.

North Korea is certainly one of the more wily and ruthless states. But the real question must be whether China will hold together and whether the states of the region will make a serious effort to tie it into a web of international security.

East Asia has never known an indigenous pattern of international relations that was not dominated by China. The states of maritime East Asia surely have no nostalgia for their region before the Cold War and the coming of European imperialism.

The writer, a senior fellow at the International Institute for Strategic Studies in London, contributed this comment to the International Herald Tribune. The new details on Chinese defense policy are being presented at a conference held by the IISS and the Chinese Council of Advanced Policy Studies from July 8 to 10 in Hong Kong.

## Let's All Start Seeing the Benefits of the Uruguay Round Soon

By Warren Christopher

The writer is U.S. secretary of state.

WASHINGTON — When President Bill Clinton meets this week with the leaders of the world's other advanced industrial nations at the Group of Seven summit in Naples, he will press them to approve the Uruguay Round of GATT by the end of this year. That agreement, the most far-reaching trade pact in history, is scheduled to take effect next Jan. 1.

The agreement must come into force on time so that the world can enjoy its enormous benefits soon. But the willingness of America's partners to act will be strengthened by America's continued willingness to lead.

The Uruguay Round is far more than a trade agreement. Its approval is a strategic priority for the United States. It is an investment in a more stable and integrated world in which open societies are linked and invigorated by open markets. And it is a bridge from the postwar world of half a century ago to the post-Cold War world that we are forging today.

Last year, President Clinton's personal engagement and the persistent work of U.S. Trade Representative Mickey Kantor helped break global gridlock after seven years of tough negotiations. Now Congress must do its part. Building on

the bipartisan support it has gained, the president is seeking congressional approval of the agreement this year.

Because the United States is the world's leading exporter, this agreement is shaped to America's strengths. It opens global markets to an unprecedented extent at a time when American companies and workers have become more competitive. And it extends free-trade principles to services and agriculture for the first time.

By lowering trade barriers and opening new markets, the GATT agreement will create hundreds of thousands of high-wage, high-skill jobs for American workers in the next decade. And by reducing tariffs on imports, it will lower prices for American consumers.

After World War II, the United States led the way in constructing an open world trading system. Those who designed the architecture for the postwar world understood that, to avoid another world war, strong security structures had to be reinforced by strong economic structures. They recognized that cooper-

ation would allow economies to grow and people to prosper. That cooperation, under a series of GATT-sponsored world trade negotiations, enabled countries to cut tariffs, lower barriers and create jobs.

The architects of the postwar world also understood that nations united by trade would be less divided by conflict — that, as Franklin Roosevelt's secretary of state, Cordell Hull, put it, "When goods move, soldiers don't."

In the aftermath of the Cold War, the West has a new opportunity — and a new responsibility — to extend to the East the benefits and the obligations of the same liberal trading and security order that have been pillars of strength for the West. The nations of Eastern Europe have had the courage to defeat communism and the fortitude to carry out difficult economic reform. The best way to help them is to lift the trade barriers that limit their exports and prospects for economic growth.

The GATT agreement will help the reforming economies of Eastern Europe gain greater access to world markets and make them more attractive to Western investment. The prosperity generated by trade will help those nations bring the benefits of freedom home to their citizens.

By lowering barriers and especially by cutting tariffs, the agreement will bolster developing countries around the world. It will expand export opportunities for the nations of Latin America which have made strides toward free markets and freely elected governments in the past decade. And it will help nations in Asia and Africa achieve sustained growth and sustainable development.

By approving the agreement, we promote global economic growth and the stability it fosters. We diminish the possibility that conflicts over trade will pose a threat to peace. We help new market democracies sustain economic reform. We help ensure that the post-Cold War world is not divided into new blocs: not North against South, not rich against poor, not North America against Europe or Asia.

The United States faces a new test of leadership: to build on the achievements of the liberal trading system to reinforce prosperity, stability and democracy around the world. By ratifying the Uruguay Round this year, the United States not only will generate growth and jobs, but demonstrate once again that it has the foresight and the confidence to lead.

© Los Angeles Times Syndicate.

## Iceland 50 Years On, Enduring Between Europe and America

By John C. Ausland

REYKJAVIK — Fiftieth anniversaries are in the air these days, as we move from one World War II milestone to another. Recently, the Icelanders marked the 50th anniversary of an event that took place during the war but was only indirectly related to it: their independence from Denmark.

Little noticed by the outside world, every community in this island nation turned out on June 17 to commemorate what is for these hardy people a holy day.

The main event took place at Thingvellir, a spectacular lava formation not far from Reykjavik where the island's first Parliament met in 930. It is, by coincidence, near the place where the island is very slowly being torn in two, as Europe and America drift away from each other. This geological phenomenon symbolizes the dilemma that confronts this nation of 260,000 as it seeks to adjust to the end of the Cold War.

First settled by Norwegians who fled from Norway when Harald the Fairhaired united his country by the sword in 872, the Icelanders have over the centuries had a difficult history. After a

period of independence, they fell under the rule of first the Norwegians and then the Danes.

Finally, in 1918, they reached an agreement with the Danes that would permit them to become independent after 25 years. By that time, however, Hitler had swept over Europe. Denmark was occupied and unable to negotiate freely with the Icelanders.

Having declared their neutrality, the Icelanders turned down a British offer to defend them. Out of concern that the German navy had a longer reach than it in fact had, a British destroyer on May 10, 1940, sailed into Reykjavik's harbor and disgorged a battalion of troops. Taken by surprise, Prime Minister Hermann Jonsson decided to make the best of things and advised his people to treat the British troops as guests.

Not all Icelanders were so easily reconciled. A half-century of tension between a part of the population and foreign troops began. When an ill-prepared U.S. Marine contingent arrived on July 7, 1941, to begin replacing

the British garrison, they were greeted by considerable popular hostility, even though the government had (reluctantly) invited them. After an extremely difficult winter, they were happy the next year to move over for the U.S. Army, which eventually had 45,000 men on the island.

By VE-Day, the air base that the Americans constructed at Keflavik was playing an important role in air traffic to Germany. Although the Icelanders wanted to be rid of the base, they finally agreed to a limited civilian maintenance force.

As the Cold War got under way, the Icelandic government was ambivalent about its role. When it finally decided to be a founding member of NATO, a riot broke out in the square in front of the Parliament. The police had to use tear gas to quell it.

Learning from this experience, the government changed its approach when it decided to agree to the expansion of the base at Keflavik, following the North Korean attack on South Korea. It

made the announcement when Parliament was not in session.

That was in 1951, and the people at what is known in Iceland as "The Base" have been on a roller coaster ever since. Although Icelandic governments have consistently supported the existence of the base, there has always been enough opposition to it to assure periodic difficult negotiations. During the 1980s, the United States and NATO spent more than \$1 billion in Iceland on new radar installations and improvements at the base.

With the Cold War over and money harder to get, the Pentagon has recently begun reducing its activities.

When the U.S. Air Force tried to pull out its fighter squadron, it ran into a hornet's nest, since these aircraft symbolize for most Icelanders the American commitment to defend Iceland. As a result, under an agreement reached in January, there are still four fighters here.

For the first time since it was established, the base at Keflavik stimulates little opposition. Even Olafur Ragnar Grimsson, leader of the People's Alliance, which has consistently opposed the base in the past, has made his peace with it, on the grounds that it is now used to support United Nations operations.

If there was any doubt that the Clinton administration is not preoccupied with Iceland, it was made clear when it waited until a few days before the 50th anniversary to inform the Icelanders that it would send John Deutch, deputy secretary of defense. There had been rumors that Vice President Al Gore would appear.

The ceremony at Thingvellir was relaxed. Anyone could come, and about 25,000 did, despite inclement weather. The star was

President Vigdís Finnbogadóttir, who is treated by her landsmen as a queen. Dressed all in white, she dominated the scene, which included royalty from Denmark, Norway and Sweden.

All this Nordic warmth does not mean that Iceland's problems are at an end. With most of its foreign exchange coming from the sale of fish, the country is dependent on its fishing fleet. Having gained recognition of its primacy around the island, the fleet has been venturing into more distant waters. This has brought it into conflict with Norwegian claims in the Barents Sea.

To the accompaniment of threatening statements by political leaders, the Norwegian Coast Guard recently took to cutting the wires that hold the Icelandic trawlers' fishing nets. Ironically, it was a device the Icelanders developed during their contest with the British in the 1970s.

This was the eleventh of Iceland's cod wars since the 15th century. Although the Icelandic hosts avoided the subject in their speeches, Norway's King Harald V found it necessary during his speech at Thingvellir to express the hope that normal relations would soon be restored.

In the meantime, Icelanders are keeping a close eye on the evolution of the Norwegian attitude toward the European Union. If, as seems unlikely, Norwegians decide later in the year in favor of membership, Iceland would be plunged into a debate about what it should do.

Although a public opinion poll indicates a majority of Icelanders want to become members of the European Union, the political leadership is divided on how fast the country should move in this direction.

International Herald Tribune.

## Settle for Quality Sport on the Field

By Frank Deford

WESTPORT, Connecticut — The solids and the disillusioned of modern America are once again lamenting the disappearance of the hero in our disenchanted times.

Curiously, although sports troubadours are traditionally the dupes accused of being too quick to romanticize athletes, it is rarely our kind nowadays who carry on about how sports stars are, in the usual overwrought phrase, Letting Us Down.

The fact is, people in sports and people who cover sports are much more understanding of bald reality. Athletes are, for the most part, young men footloose and fancy free, possessing great wealth and little responsibility, who have been bootlicked and pushed ahead in line since they were children and are therefore likely to Let Us Down.

Why should we Americans be surprised that our young royalty acts any differently from the spoiled-kid aristocrats at balls in "Madame Bovary," with their "daily satisfied passions . . . in which the muscles are flexed and vanity sated"? Welcome to the major leagues.

But when forced to confront a case like O. J. Simpson's — or a much more everyday event like the drug-use suspensions of Dwight Gooden and Diego Maradona — nonsports journalists have a very hard time telling celebrities from heroes.

For some reason, sport luminaries are draped in a hero's

mantle while other equivalent entertainment figures remain merely stars, without moral expectations. The athletes are built up even more because in our nipping society it is so hard for anyone to retain heroic status.

Carlyle's prescient observation that "Democracy means despair of finding any heroes to govern you" has merely been confirmed by the ordination of ersatz ballpark heroes.

All this is complicated further by that cloying term "role model."

More accurately, when it comes to athletes that people favor, it should be "role dream." All too often, American children cite some celebrity they would choose to be rather than someone worthy they would prefer to be like. And then we get angry at the designated role dream for not living up to false demands.

Athletes can't help it if they are looked up to. It should never shock us that kids are most impressed by sports stars and rock singers. Neither should we be upset when O. J. and Doc and Diego and Jennifer and Darryl and Pete go astray in their private lives. Most often we should take the hint from Muhammad Ali's old tease: "Who knows where I go? / When the door is closed?"

Anyway, children aren't all that fragile when they learn that

stars misbehave. Who knows? It may even be good for them to see that famous people are not above the law. In that sense, Gooden's 60-day suspension is surely worth scores of canned public service announcements about Just Saying No.

But — and here's the rub — we should be far more concerned with the professional behavior of athletes. It is there, on the field or court, that sports stars do have a real effect on impressionable kids — and a lot of dopey adults too.

It is one thing to be told that so-and-so was caught doing drugs. It is much more devastating for fans to actually see their role dreams mugging each other, insulting each other, carrying on brutally and abusively.

Of course, snorting cocaine is intrinsically a worse offense than trash talking. But each ugly action on the field of play — repeated in the so-called highlights broadcast — carries far greater weight than what falsely appointed heroes may do in the privacy of their own conceit.

The woeful search for the peerless may be appropriate, but when it comes to athletes it is enough to hold them to a heroic athletic standard — on the field, where seeing is believing.

The writer is a contributing editor to Vanity Fair and a sports commentator for National Public Radio. He contributed this comment to The New York Times.

## IN OUR PAGES: 100, 75 AND 50 YEARS AGO

### 1894: Royalty at Harrow

LONDON — The Prince and Princess of Wales and the Princess Victoria and Maud visited Harrow School yesterday (July 7), where the Prince distributed the prizes. The Princess of Wales wore a beautiful dress of silk with large stripes of black and French gray, and the young Princesses were dressed alike in Royal blue silk with white lace trimmings. The Harrovians were enchanted at the presence of Royalty and cheered as only public-schoolboys can.

### 1919: A Quick Decision

PARIS — The cat is out of the bag, and it is now known where and how the "Big Three" agreed that the trial of the Kaiser should take place in London. For speed and informality, the decision broke all records. It happened at a meeting a few days before the

Treaty was signed, and during a momentary lull in the proceedings Mr. Lloyd George suddenly looked up in quick, bird-like fashion, and, addressing no one in particular, said: "I suppose one of you has any objection to the Kaiser being tried in London?"

### 1944: Chinese Comeback

CHUNGKING — [From our New York edition:] Chinese troops, in a dramatic comeback, have smashed through the Japanese encirclement of Henan, surrounded enemy troops east, south and west of that vital city and seized the initiative in all sectors in Hunan Province, the Chinese high command said tonight (July 7). A Chinese Army spokesman announced that these counter-thrusts had removed the danger of a Japanese coalition railway system through China.

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## OPINION

## A Russian Makes the Case Against NATO Expansion

By Stephen S. Rosenfeld

WASHINGTON — The critical struggle over whether NATO ought to take in Central Europe — Bill Clinton, in Warsaw this week, was still hedging — unfolds on the premise that Russia objects to having the alliance move east to its very doorstep. Is this loss of a strategic buffer Russia's reward for abandoning communism and empire? The question arises both from aggrieved Russians and from Americans, including policymakers at the highest level, sympathetic to their alarm.

Good answers are available, including that, in all due respect, Russia cannot be allowed to call NATO's shots. But the most telling response comes from an unexpected location: Russia itself. Russia has in effect two parties, one looking West and meaning to leave empire behind, the other looking more inward and ready to reassert the old order. Among the Westerners who see no good reason for Poland, Hungary and the two halves of the former Czechoslovakia not to join NATO, Sergei Blagovinn's voice rings clear.

Mr. Blagovinn is a veteran of the policy wars who runs an institute in Moscow and is high in the Russian's Choice party of Yegor Gaidar. He and the Hudson Institute's William Odom, a retired general and former head of the National Security Agency, explored the issue of NATO's expansion in the international affairs periodical *Novoye Vremya*, No. 7.

The idea circulates that "the Russians" oppose NATO expansion. But Mr. Odom notes that Boris Yeltsin said in Warsaw and Prague last September that Russia would not object if they joined. Only later, under pressure from a military that had bailed him out in a confrontation with the old Parliament, did the president reverse his stance.

Mr. Blagovinn went on to make the case for expansion from Russia's point of view:

NATO has no offensive potential, a condition confirmed by its unanimity rule, the reduction of U.S. forces to the 100,000 level and its turn from preparing to repel a Soviet invasion to refocusing on regional conflict.

Poland, Hungary, the Czech Republic and Slovakia sit in a "military-political vacuum" and "completely rationally" fear unforeseen developments in Russia and Ukraine, not to forget Germany. They are "more or less 'compatible' with NATO, and ready — unlike many other would-be members — and their participation does not threaten Russia. "Generally speaking, I see only one real danger

in NATO's expansion — the possibility that reactionary forces in Russia could use this as one more excuse to ignite anti-Western sentiments."

Russia's own entry into the alliance would mean a "gigantic expansion" of NATO's sphere, into an "Atlantic-Pacific structure," and many existing NATO members would rebel. "In other words, [Russian entry] is a guaranteed way to end NATO, practically if not formally."

Mr. Blagovinn's favored alternative to membership for Russia is a high-level strategic partnership, with the United States and NATO in Europe and with the United States and others in Asia. Such cooperation "would also become an extremely effective means for preventing a new strategic division of Europe on the basis of a 'clash of civilizations,' which Prof. [Samuel] Huntington predicts. . . . Otherwise a desolate isolation from all developed countries of the world awaits us."

It is so, of course, that one policy wonk's article does not prove that a tidal wave of enlightenment is about to sweep over a divided and distracted Russian government. But it can only help to realize that the anti-expansion bluster one hears in Moscow, and the sympathetic echo of it that one hears in Washington, is something less than the whole story; representing not eternal verities but a political debate in this one place and a diplomatic posture in the other.

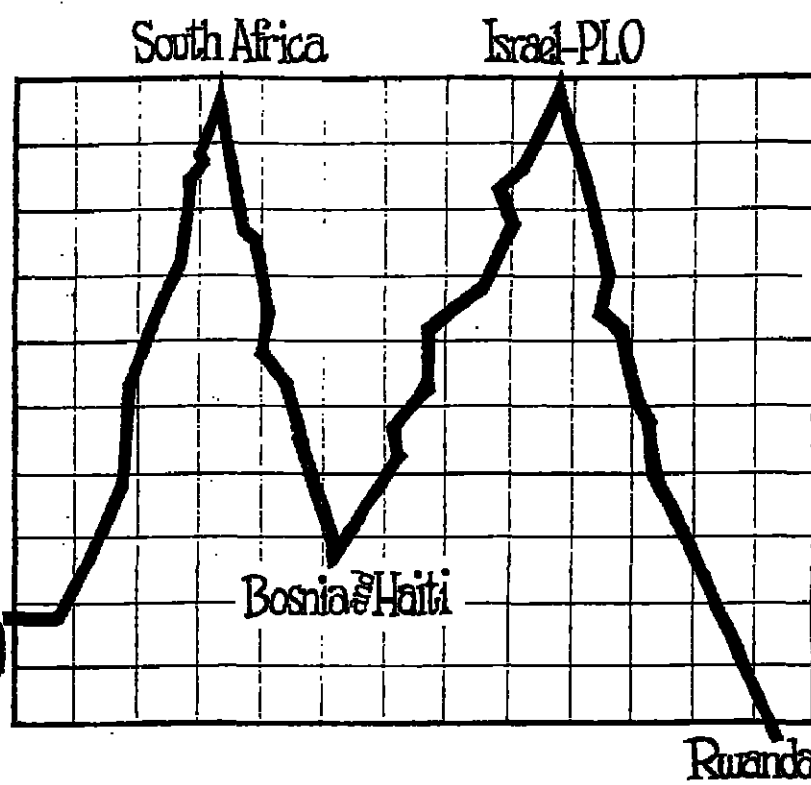
It patronizes Russians to think they cannot bring themselves to understand that NATO expansion does not threaten them, and promises them security advantage and much more. By steady down a disruption-prone slice of Europe on a sensitive Russian border, expansion gives heart and political space to Russia's liberal Westernizing party and steals a card from the conservative and nationalistic party that is given to tension and adventure.

NATO has held off on expanding so as not to stir up Russian nationalists and undercut Mr. Yeltsin. But this reduces a consideration of high strategy to an issue of low tactics. Mr. Odom warns that Western hesitation may encourage rather than discourage Russian imperialist tendencies.

"Now it is painfully clear that failing to hedge against the failure of liberal development in Russia is a strategic error. It can still be corrected. Russia is in no position to prevent the expansion of NATO today. In a few years it may be."

The Washington Post

## HUMANKIND



## LETTERS TO THE EDITOR

## Devaluation Can Help

Regarding the report "Under Imposed Devaluation, Africa's Poorest Get Poorer" (June 5):

The writer states that the "clearest result" of the devaluation of the CFA franc is the exacerbation of poverty in the CFA zone. In fact, a well-managed economic reform program offers compelling benefits even to West Africa's poor.

The vast majority of West Africans are rural farmers who stand to gain when the price for their goods increases. At the end of the article, the writer himself points out that the assumption of rice imported from Thailand used to be cheaper than consumption of local foodgrains — a pattern that is now changing under post-devaluation pressure.

In addition, most West African consumers, even urban consumers in Niger, base their diets largely on nontraded, domestically produced items such as coarse grain and root and tuber crops whose prices are not affected by the devaluation.

Urban consumers in coastal countries, such as Senegal and the Ivory Coast, are much more dependent on imported rice to be sure, but they will find ample supplies of millet, sorghum and cassava in West African markets this year.

Even countries like Niger, Burkina Faso and Mali, landlocked in the Sahel of West Africa, yet with economic comparative advantage in the production of coarse grains, meat, groundnuts, cotton and (sometimes) rice, will see the region-

al market opportunities for these goods change as coastal countries to their south no longer import meat, grains and vegetable oils to the same extent from the world market and instead increase their demand for these goods from their neighbors to the north. In the process, the vast majority in these countries — their rural producers — will benefit.

The lesson from non-CFA West African countries such as Ghana, which have already gone significantly down the path of economic reform, is that a competitive exchange rate and an open economy do not bring hardship to the population. Rather, by decreasing the relative cost of labor and increasing the relative cost of imported goods, devaluation makes both import substitution and export activities competitive once again.

This offers the hope that Sub-Saharan Africa can be more than just a source of primary materials for world markets, contributing higher-value manufactured goods to the global economy as well.

B. LYNN SALINGER, Concord, Massachusetts.

The writer is senior economist with Associates for International Resources and Development of Cambridge, Massachusetts, a firm specializing in economic research and consulting in West Africa and around the world.

## A Vital Distinction

Dolls are playthings. They are made of plastic or china. They do not feel pain. They occasionally get

stepped on, left out in the rain or lost entirely. Dolls break. They lose a limb here and there, they get worn out, even abused. But dolls, even abused ones, go on being just that — toys that can be discarded or packed away. And they never feel the pain that a human being subjected to abuse would feel.

I am a woman. I am not a doll. And I am perfectly capable of feeling pain. I am writing in response to the insensitive headline "Guys Aren't Supposed to Bash Dolls" that ran over Bob Herbert's opinion column about domestic violence (*Opinion*, June 30). The headline misses the "big challenge" that Mayor Rudolph Giuliani of New York wants to see addressed. Mr. Herbert writes that Mr. Giuliani knows that it is second nature for men to view the beating of women as "despicable and cowardly conduct." Until people stop referring to women as dolls, this challenge cannot be met.

KATE WARKENTIN, Paris.

## Fishing for a Verdict

Regarding "Fiske, the Clinton Shield, Is Hardly Independent" (*Opinion*, June 24) by William Safire:

Mr. Safire harps obsessively on Whitewater. It is clear from this article that the only judgment on this relatively trivial matter that he would accept as independently arrived at is the verdict "guilty."

MARTIN C. BATTISTIN, London.

## Tidied Up for the Weekend And Hoping It Might Last

By William D. Montalbano

NAPLES — The question being tested here under the volcano is whether, beginning with one world-important and summer-scorched weekend in July, it is possible to hew order from the chaos called Naples.

When the leaders of the seven richest nations arrive on Friday, will they find a historic and beautiful city that is belatedly recovering its health and pride? Or will they see hasty makeup caking an urban corpse?

Reform Naples? Don't laugh too hard. Change is afoot in Italy's messiest metropolis. Reforms are being

Milan and Rome, does not take kindly to civic malfeasance. In two years, he has dissolved 16 local governments in the region for having links to the Camorra and 40 others for administrative paralysis. In Naples, he named administrators to run the bankrupt city until fall elections.

Before that, though, then-Prime Minister Carlo Ciampi amazingly asked if Naples could possibly accommodate the G-7 summit meeting.

"I said yes, if certain things were done first," said Mr. Improta. The central and regional governments dutifully ante up about \$35 million for infrastructure preparations.

When the mayoral elections came, Naples turned to the left in protest against corrupt establishment parties. Antonio Bassolino, 47, a long-time apparition of the former Italian Communist Party, defeated Alessandra Mussolini, granddaughter of the former dictator.

Together, Mr. Improta and Mr. Bassolino have begun stitching the city back together. Public works contracts are now let on a fixed-price basis in a blind draw of competing companies — a revolution in the Italian contract. Repaving of the main seaside road, a civic priority for decades, is finished. The Piazza del Plebiscito and the Via San Carlo have been redone and antiquated to restore them to the way they looked in the early 19th century when Naples, home of a ruling Spanish king, stood with Paris and London in the front rank of European capitals. The Royal Palace, where the G-7 leaders will meet, has had its face lifted. The police are giving traffic tickets; trucks are towing illegally parked cars. Mr. Bassolino has reopened half a dozen parks.

But the philosopher and social commentator Luigi Campagnone, 76, a lifelong Naples resident, is skeptical. "I never go out anymore because I cannot bear to see Naples. It's unlivable. People go into raptures about the music, sky, sun, sea, sand. Lies, all lies. I define Naples as a collective infection. Two weeks after G-7 it will be exactly the same mess as before."

Naples is no stranger to big international gatherings, or the fact that little lasting good usually survives them, said the Neapolitan sociologist Domenico de Masi. The Roman emperor Tiberius held ancient world versions of G-7s on the island of Capri off the Naples coast, he said.

"Greeks, Romans, Renaissance princes, 16th- and 17th-century kings have always met here; it's an excuse for a party," Mr. de Masi said.

Los Angeles Times

## PROVISIONAL AIRPORT AUTHORITY HONG KONG

## MOVING AHEAD

Hong Kong's new airport is moving into a new stage of development with a wide range of contracts to be awarded during coming months. The Provisional Airport Authority intends to award the following contracts:

## LIST OF CONTRACTS

## Initial Contracts

|                                     | Forecast Tender Issue |
|-------------------------------------|-----------------------|
| Primary Power Substation A          | July 94               |
| Ground Transportation Sub-structure | August 94             |
| Airfield Tunnels                    | August 94             |
| Stormwater Drainage Box Culverts    | August 94             |
| Pump House Structures               | October 94            |
| Ground Improvement                  | To be announced       |

## Construction Support Contracts and Licences

|   |              |
|---|--------------|
| Lok On Pai Office Refurbishment - Phase 2 | July 94      |
| Work Force Accommodation                  | July 94      |
| Concrete Batching Licence                 | July 94      |
| Labour Camp Operations Licence            | July 94      |
| Materials Testing Licence                 | August 94    |
| Medical Services Licence                  | September 94 |
| Fuel Supply Licence                       | September 94 |
| Ferry Services Licence                    | September 94 |
| Water Disposal Licence                    | November 94  |

## Passenger Terminal Building

|  |                 |
|--|-----------------|
| Passenger Terminal Building Structure    | August 94       |
| Master Systems Integration               | September 94    |
| Passenger Terminal Building Services     | August 94       |
| Passenger Terminal Building Lifts        | August 94       |
| Passenger Terminal Building Escalators   | August 94       |
| Passenger Terminal Building Walkways     | August 94       |
| Aircraft Loading Bridges                 | August 94       |
| Pre-conditioned Air                      | August 94       |
| Fixed Ground Power                       | To be announced |
| Aircraft Parking Aids                    | October 94      |
| Passenger and Baggage Security Screening | October 94      |

## Airfield Works

|                |              |
|----------------|--------------|
| Airfield Works | September 94 |
|----------------|--------------|

|                                |                 |
|--------------------------------|-----------------|
| Oil Interceptor Pumping System | October 94      |
| Runway and Taxiway Lighting    | October 94      |
| Apron High Mast Lighting       | October 94      |
| Aviation Fuel Hydrant System   | To be announced |

## Landside Infrastructure

|   |                 |
|---|-----------------|
| Landside Infrastructure                       | December 94     |
| Sewage Pumping Systems                        | October 94      |
| Potable Water System                          | October 94      |
| Sea Water Pumping System                      | October 94      |
| Electrical Equipment and Distribution Systems | November 94     |
| Emergency Power Plants                        | November 94     |
| Waste Water Treatment System                  | December 94     |
| Expressway Traffic Control & Surveillance     | To be announced |

## Ground Transportation Centre

|  |          |
|--|----------|
| Ground Transportation Centre                   | April 95 |
| Ground Transportation Centre Building Services | April 95 |
| Ground Transportation Centre Lifts             | April 95 |
| Ground Transportation Centre Escalators        | April 95 |
| Ground Transportation Centre Walkways          | April 95 |

## Miscellaneous Buildings

|   |                 |
|---|-----------------|
| Miscellaneous Buildings (7 to 10 contracts) | To be announced |
|---|-----------------|

## Invited and Selected in Conjunction with a Passenger Terminal Contractor

|   |                 |
|---|-----------------|
| Architectural Fit Out; Signage & Graphics; Fixtures, Fittings and Equipment - Works to be packaged on a trade basis | To be announced |
|---|-----------------|

## Invited and Selected in Conjunction with a Master Systems Integration Contractor

|  |            |
|--|------------|
| Flight Information System  | October 94 |
| Passenger Terminal Building - Public Address                                   | October 94 |
| Telephone System   | October 94 |
| Trunked Mobile Radio   | October 94 |
| Building Management System and Supervisory Control and Data Acquisition System | October 94 |
| Voice and Data Cabling System  | October 94 |

|                              |            |
|------------------------------|------------|
| Closed Circuit Television    | October 94 |
| Access Control and Detection | October 94 |

## Invited and Selected in Conjunction with an Airfield Works Contractor

|                  |                 |
|------------------|-----------------|
| Soft Landscaping | To be announced |
|------------------|-----------------|

## Invited and Selected in Conjunction with a Landside Infrastructure Main Contractor

|                   |                 |
|-------------------|-----------------|
| Soft Landscaping  | To be announced |
| Irrigation System | To be announced |

## Invited and Selected in Conjunction with a Ground Transportation Centre Main Contractor

|   |                 |
|---|-----------------|
| Architectural Fit Out; Signage & Graphics; Fixtures, Fittings and Equipment - Works to be packaged on a trade basis | To be announced |
|---|-----------------|

Companies which have not already expressed an interest in taking part in these contracts should do so by requesting a prequalification questionnaire and returning it on or before 22 July 1994 to:

The Project Director  
Provisional Airport Authority Hong Kong  
25th Floor, Central Plaza  
18 Harbour Road  
Wan Chai  
Hong Kong

Attention: Ms Stella Fok  
Fax No: (852) 802 8231







Exotic costuming and fanciful lighting are features of the Cirque du Soleil, one of Quebec's main cultural exports.

## THE MOVIE GUIDE

### Trop de Bonheur

Directed by Cédric Kahn.  
France.

Valérie (Estelle Perron) and Mathilde (Caroline Trousseau), high school students in a small southern village, are best friends, but Valérie is the kind of blonde who gets all the attention from the boys. Kamel (Malek Bechar) and Didier (Didier Borge) are best friends too, but Didier is a French boy and Kamel is an Arab. The story of those who are excluded from the game of love and desire is played out on dusty bikes and during a party. Kahn, who made "Bar des Rains," a fine mournful first feature, developed this fable from a TV film (part of a series on adolescence called "Tous les garçons et les filles de leur âge"). His structure looks Rohmerian, with the crisscrossing of couples and the choreographed all-night party. A "Ma nuit chez Claude" for the '90s? Of course, these kids don't articulate or even express much, so what takes place has to be gleaned from trite talk, smooth empty faces and the gap between their words and deeds. Such banality may make the characters seem real, but it's as if they're involved in an exhausting exercise, not always gripping to watch.

(Joan Dupont, IHT)



Michelle Pfeiffer and Jack Nicholson in "Wolf."

### Wolf

Directed by Mike Nichols.  
U.S.

"Wolf," the new Mike Nichols film starring Jack Nicholson and Michelle Pfeiffer, doesn't take a straight horror film approach to the werewolf genre, and it's not a jockey send-up either. It's something fresher and infinitely more inventive — a satire about how to climb the corporate ladder that uses werewolf lore only as its

metaphorical springboard. In its own delightfully peculiar way, the film is the only one of its kind ever made — a horror film about office politics. What Nichols has attempted here — with the assistance of the screenwriters Jim Harrison and Wesley Strick — is the filmmaking equivalent of a high-wire act. The result is a sometimes shaky, always enchanting Beauty and the Beast story for grown-ups that is the very essence of smart fun — droll, sophis-

cated and surprisingly, pleasingly light. The movie isn't wholly great; it starts to unravel just after the midway point. Still, there are charms enough all the way through to make it the most seductive, most enjoyable film of the summer.

(Hal Hinson, WP)

### The Shadow

Directed by Russell Mulcahy.  
U.S.

"The Shadow" is based on the exceptionally popular radio character, who appeared in 1930 and didn't vanish from the airwaves until 1954. "Who knows what evil lurks in the hearts of men?" The Shadow knows. "is one of the most famous phrases in American pop culture, familiar even to people who have no idea who the Shadow was, or what he did. In this sleek, entertaining new movie, the Shadow is Alec Baldwin, a witty actor who brings along just the right mix of do-goodism and evil potential. Style is almost everything here, and it's a tough call whether the star is handsomer than the sets. One of the big failings of "The Shadow," though, is that neither the Shadow nor the plot are very compelling. But the movie offers a diverting, nostalgic retreat to the innocent days when crime fighting was a pleasant, rich man's hobby.

(Caryn James, NYT)

## Reinvented Circus From Quebec

By Ann Duncan

MONTREAL — In only 10 years, the Cirque du Soleil has gone from being a ragtag bunch of still-walkers, fire-eaters and assorted street performers to becoming one of Quebec's chief cultural exports.

The Montreal-based Cirque did this by reinventing the circus from the ground up. For the Cirque is about as far removed from Barnum and Bailey as water from wine.

The Cirque's special brand of magic has transcended national boundaries, charming crowds around the world. Its three current shows — each production with its own theme, flavor, story line and raison d'être — are playing in three different countries.

Until Sept. 11 in Tokyo, the Cirque is performing "Saltimbanco," about a fantastical vision of the future, and Cirque officials recently announced that they would be taking "Saltimbanco" on the circus's most ambitious European tour ever, starting in March 1995 in Amsterdam.

The Cirque also has a permanent home for its "Mystère" show at the Mirage Resorts hotel in Las Vegas. And it recently unveiled its latest show, "Alegria," before enchanted hometown crowds here. "Alegria" — whose title is Spanish for elation or joyfulness — will then go on a two-year tour of North America with stops in San Francisco, Santa Monica, New York, Toronto, Chicago, Boston, Washington and Atlanta.

In the company's experience, a European tour is something of a gamble. In 1990, the Cirque hit London during a rare heat wave. "It was the biggest heat wave in the past 60 years," Jean David, the Cirque's vice president of marketing and communications, said recently. "Everybody left town, including the tourists, and nobody wants to go into a tent when it's 100 degrees outside."

Many of the Cirque's seemingly revolutionary approaches to costumes, staging,

lighting and theatricality have been borrowed from or influenced by other key cultural figures in Quebec. These include the internationally known theater director Robert Lepage, the Carbone 14 dance-performance group and the rock star Michel Lemieux, who is considered a wizard with lighting and special effects.

Yes, there is still a big top. This "circus of the sun" usually performs under its trademark blue-and-yellow, 2,500-seat tent, although the Cirque was asked to use a more muted dark blue for its current run in Tokyo.

But gone are many of the traditional, three-ring entertainments. Instead, the Cirque usually presents a coherent show, complete with a theme and plot development, all presented on one amorphously shaped multilevel stage.

Gone, too, are animals. The Cirque exploits human beings only, transforming them by turn into living pretzels (the contortionists), crazed wild beasts (the death-defying acrobats) and loony creatures who seem to spring from the deep recesses of a collective unconscious. These can range from almost traditional clowns to New Age Greek choruses.

All these Cirque-styled creatures are in ultra-exotic costumes, with fanciful lighting, hypnotic music and mesmerizing choreography. In short, the Cirque is the kind

of pure magic that draws almost uniformly rave reviews.

The Cirque's talent is as international as the show's customary appeal. In "Alegria," the three clowns are from Russia, two 9-year-old contortionists are from Mongolia, the pole balancers are from China, the comedian is from Belgium, and the tumbler is from the United States and Canada.

But the corps of the creative team is almost exclusively Quebecois, with Gilles Ste-Croix, a former fire-eater, as artistic director; Franco Dragone, whose background is the theater, as director; Dominique Lemieux, a fine arts graduate, is the costume designer, and René Dupéré composes the music.

The Cirque is a nonprofit organization with projected earnings this year of 40 million Canadian dollars (\$29 million), taking its successes in stride, and with a customary measure of Canadian understatement.

"Well, we're not Michael Jackson," David said. "But we are doing very well."

RADICAL reinvention of the circus is the secret, he said, and that stems to a large degree from French-speaking Quebec's unrelenting quest for identity during the last 50 years or so.

This quest, David said, has prompted a number of Quebec artists to question at some basic level who they are and why, especially what it means to be a French speaker surrounded in North America by a sea of more than 200 million predominantly English speakers. And in so doing, he added, these Quebecers touched on issues that affected other people deeply.

"But it's not just about being Quebecers," David said. "It's about being human beings. . . . It's a matter of our own survival."

Or as the program notes for "Alegria" say: "If you have no voice, scream; if you have no legs, run; if you have no hope, invent."

Ann Duncan is a journalist in Montreal.

## New Wave: Urban Mediterranean

By Molly O'Neill

New York Times Service

NEW YORK — A man is squinting at paint chips in hues of deep yellow, gold and orange at a store on Canal Street in lower Manhattan. He wants to turn his left into a patch of Tuscany. "You know," he says, "faded but sunny."

A woman whose leather briefcase, gold watch and barbed expression say Serious Professional emerges from a taxicab, espadrilles first. Steam from a nearby subway grate catches her purple and orange sarong.

They may be urban, but the clothes they wear, the decor they choose and the food they eat all evoke a picturesque village perched on a hillside overlooking the Mediterranean. In Italy, perhaps, or southern France, or Greece, or any other country that abuts that sea.

The Mediterranean lifestyle, a loosely defined fantasy of casual, healthful, warm and intimate existence, is comfortable for the stylish and accessible for the striving. Everybody finds it oh, so chic. And it seems to offer solutions to a battery of modern America quandaries. Chic is rarely random.

"All that Milan high style — flashy, showy and very '80s — is gone," said Donna Warner, the editor in chief of Met-

ropolitan Home. "People want easier, less complicated, less showy lives."

Hand-painted pottery has replaced Villeroi & Boch china on tables in some fine restaurants; pitchers of herbed olive oil, rather than dishes of iced sweet breads, are increasingly being served with bread, and bottles of rustic country wines are being plopped directly on tables where carefully decorated bottles of fine vintages used to be. Bye-bye chafing dishes; hello wood-fired ovens.

In private homes, decor as well as entertaining styles conjure long, lazy afternoons in a taverna. Several years ago, a serious dinner party might have meant canapés, sliced chicken breast and elaborate lams of baby vegetables. Now it often means oil-cured olives, loaves of peasant bread, platters of grilled chicken, big bowls of pasta and salads, all served simultaneously.

"People want real food, fresh food, as close to its natural state as possible," said Jean-Michel Savoca, the owner of New York Parties, a caterer. "The French idiom has been eclipsed by the more natural, less fussy Italian one."

Food is an important conduit for the Mediterranean mania. What began nearly a decade ago as a love for all edibles Italian is now a growing taste for the cooking from all the lands that border the inland sea.

The cuisines of the Mediterranean vary

as widely as the language, politics and religions of the individual countries. But in all of them, vegetables and grain are prominent, meat is used sparingly and there is olive oil — lots of olive oil.

A surge in olive oil sales in the United States is probably the best barometer of changing taste. Arlene Wanderman, the spokeswoman in America for the International Olive Oil Council, a trade group, said nearly 250 million pounds of olive oil were imported last year, as against 64 million pounds in 1982.

For two years, Americans have spent more on olive oil than corn oil in grocery stores, according to statistics gathered by Information Systems, an organization that charts grocery sales.

Health concerns probably figure as prominently as taste in the shift in oil sales. "The big growth areas were the light olive oils, which signifies a health-motivated customer, and extra-virgin olive oil, which signifies a gourmet-type customer," Wanderman said.

Health consciousness is no bit player in the fascination with the Mediterranean region, where the rates of coronary heart disease and some forms of diet-related cancer are lower than in the United States. But the mythic Mediterranean lifestyle is more alluring than yet another physician's recommended eating regime.

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## AT A GLANCE: GOOD TRAVEL DEALS

The river itself is cleaner and more pleasant than it used to be. While health

takes 20 to 30 minutes, depending on the tides, and along the way passes beneath six bridges.

For those who just want to spend some time on the water, there are regular sight-seeing boats that run from Westminster and Charing Cross Piers, some of which offer dining — luncheon, tea or dinner. There is an addition to this year's fleet: a four-hour nighttime cruise, with an after-dinner show by an Elvis impersonator.

This is good news for travelers, who can obtain luggage, cameras or golf clubs as well as upgrades and free tickets. The air-

If you fly short trips (around 300 miles)

Several airlines give special perks and privileges to travelers who rack up enough miles a year to reach "very frequent flier" status. Typically, you need to have 30,000 miles to reach the first VFF level. The most important benefits are use of a executive lounge, preferred access to upgrade, relaxation of blackout dates and seat limitations on award trips, and priority tv listing.

Although the I-T carefully checks these offers, please be forewarned that some travel agents may be unaware of them, or unable to book them.

**Kronach**  
Castle Rosenberg, tel: (9261) 97236, open daily. To Aug. 21: "Cranach: Ein Maler-Unternehmer aus Franken." Paintings, drawings and engravings by Lucas Cranach and the members of his studio.

**Munich**  
Haus der Kunst, tel: (89) 211-27-127. To Aug. 14: "Flap Vital or the

works by photographers from 68 countries. The photographs were selected among the 2 million items held at the Museum of Modern Art in New York and donated to his native country by Edward J. Steichen, the former curator of the Photography Department of the MOMA.

[illegible]

**Solution to Puzzle of July 7**

SAVE DRIP WASP  
ADOG IONIA ILKA  
COLOVEONESEFLIS  
ORU ATN BEDAMS  
FEMAL SQUARE  
STRIP UPSY SOS  
EASY EOS ATOP  
THEBEGINNINGOFA  
EARS MOT NEUM  
ELS TATI SWEEP  
POLAND USHES  
OCELLI ELL ENT  
LIFELONGROMANCE  
ATTA NAOMI EGAN  
TERA BOAS BEPO

39 Play hard,  
 a.g.  
 38 Chess or bridge  
 ranking  
 39 Sir Frederick  
 Ashton ballet

43 Adam and Eve  
 lacked them  
 45 Give up  
 46 Where exes are  
 made

50 Cuddle (verb)  
 50 Adjust  
 53 Brother  
 55 Pick up

|                               |  |
|-------------------------------|--|
| 56 Mark a marker?             | 116 Burna Way                              |
| 57 House Speaker,<br>1977-86  | 117 Size of one of<br>Hercules's<br>labors |
| 58 Some car<br>deals          | 21 F. Scott<br>Fitzgerald's<br>birthplace  |
| 59 Singer James<br>and others | 24 Otologist's case                        |

**DOWN**

|  |                          |
|--|--------------------------|
| 1 Former<br>Al-Cubahn<br>Prison<br>residents | 26 Carpet fiber          |
| 2 150,000,<br>maybe                          | 30 Resulted in           |
| 3 Visored hat<br>style                       | 32 Argentine aunt        |
|  | 35 Mannerism             |
|  | 35 Blowing one's<br>cool |

A crossword puzzle grid with black squares forming a pattern. The grid contains numbers indicating starting positions for words.

Puzzle by Murray Heynsohn

© New York Times Edited by Will Shortz



**July 7, 1934**

[illegible]

AS - Australian Dollars; AU - Austrian Schillings; BF - Belgian Francs; CA - Canadian Dollars; DM - Deutsche Marks; ECU - European Currency Unit; FF - French Francs; FL - Dutch Florin;  
HK - Hong Kong Dollars; L - Luxembourg Francs; M - Swiss Francs; S - Swedish Kronor; SF - Swiss Francs; Y - Yen; \* = asked + Offer Price; N/A = Not Available; N.C. =  
Not Commercialized; No. = Number; P = Premium; S.S. = Stock Split; S.D. = Dividend; % = Percent; \$ = U.S. Dollar; \$ = U.S. Dollar; \$ = U.S. Dollar; \$ = U.S. Dollar;  
R = Rounded figure; A/R = Rounded with respect to authority; P = Middle of bid and offered price; E = estimated price; V = price calculated 2 days prior to publication; Z = bid price.

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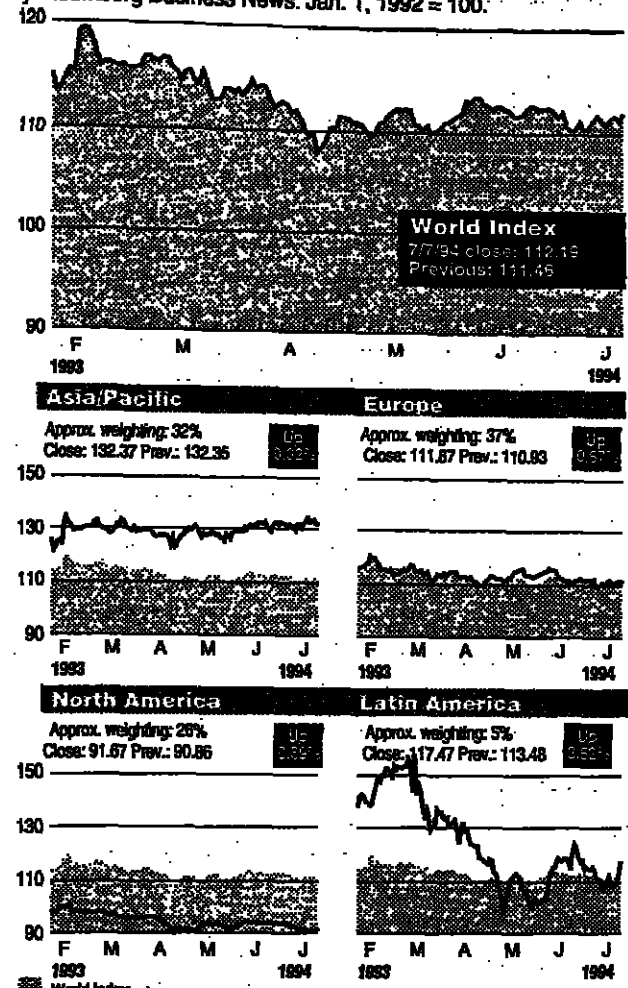
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| Finance            | 117.31 | 118.79 | +0.45    |
| Services           | 116.80 | 115.55 | +0.91    |
| Capital Goods      | 112.59 | 112.18 | +0.37    |
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| Miscellaneous      | 121.53 | 120.17 | +1.21    |

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## Lift-Off for German Aerospace

Compiled by Our Staff From Dispatches

**BONN** — Germany announced state research subsidies for its troubled aerospace industry on Thursday to help German companies fight what Bonn regards as unfair competition from the United States.

The move appeared likely to fuel the current transatlantic dispute about state aid in the industry.

Reinhold Goehner, Economics Ministry state secretary, said the research and technology program would have funding of 1.2 billion Deutsche marks (\$760 million), financed equally by the government and industry.

It would focus on energy-saving, pollution reduction and noise reduction in four sectors: large aircraft, engines, helicopters and aircraft equipment.

The new program is intended to enable us to catch up, through indirect support, in international competition, especially against the United States and Japan, without starting a new subsidy race," he said.

The government's contribution will be 600 million DM, payable over four years from 1995.

The aid, centering on the development of cleaner and more energy-efficient aircraft

## Daimler Reviews Payout

Bloomberg Business News

**FRANKFURT** — A top executive with Daimler-Benz AG, Germany's largest company, said Thursday that it would revise its dividend policy next year and may start paying larger dividends to attract more foreign investors.

The chief financial officer, Gerhard Liener, said the decision to tie the size of the dividend to earnings could result in bigger payments in good years or none at all in bad years.

The company also announced that it had raised 2.56 billion marks (\$1.62 billion) from new Daimler-Benz shares.

"You will start seeing our dividends tied more closely to our results," Mr. Liener said. "We must do this in order to meet our strategy of increasing international shareholders."

The sale of almost 4.7 million new shares, which ended Tuesday, had met with "extraordinary success," he said. Buying in U.S. markets increased the American stake in Daimler to about 8 percent, he added.

Major shareholders in Daimler-Benz include Deutsche Bank, which owns 24.4 percent, and the Emirate of Kuwait, which holds 14 percent. Both maintained their shares by fully subscribing to their rights in the new issue.

and engines and new on-board systems and equipment, is designed to make up for what Germany contends are unfair advantages held by the U.S. aerospace industry.

Germany and other European countries charge that Washington pumps indirect subsidies into its industry through the research and development budgets of the Pen-

tagon and the National Aeronautics and Space Administration.

The aerospace and aircraft industry generally has been hit by a recession-linked slump in aircraft sales and shrinking defense contracts since the end of the Cold War.

Deutsche Aerospace, the largest German company in the sector, said the new pro-

gram was a step in the right direction but said the aid did not go far enough.

"The naked figures speak for themselves — millions in Germany, billions in the United States," DASA spokesman Christian Poppe said.

Mr. Goehner said the program represented a switch away from traditional direct subsidies to indirect support.

"It is essentially a question of creating the framework in which the German and European aerospace industry can maintain the international position they have obtained, not least with state assistance," he said.

U.S. and European Union officials are reviewing a 1992 agreement on direct and indirect aid provided for the development of large passenger jets.

(Reuters, Bloomberg)

## Calling for Competition

Germany's Monopoly Commission took a general swipe at restrictive practices throughout Germany's economy on Thursday and said lack of competition was hampering economic growth, Reuters reported from Bonn.

In its 1992-93 report to the government, the independent advisory body criticized the telecommunications and energy sectors and challenged Germany's centralized system of wage bargaining.

## Berlusconi Hails Weak Dollar on Eve of G-7 Talks

By Alan Friedman

**NAPLES** — The weak dollar is good for the United States and for Italy, and any intervention by central banks to prop it up would be useless, Prime Minister Silvio Berlusconi of Italy said Thursday, on the eve of the Group of Seven summit that he is hosting.

Mr. Berlusconi said attempts at coordinated intervention in the foreign exchange markets were "behind us."

The Italian prime minister's candid statement at a news conference came as officials from Group of Seven countries sought to vanquish any expectations of a coordinated dollar support package.

"I am not worried about the weakness of the dollar personally because I see advantages for the U.S. economy," Mr. Berlusconi said. "I don't see any need for major initiatives every time the dollar is weak," he added.

Antonio Martino, Italy's foreign minister, said the dollar's weakness depended "more on traders outside the United States in the market than on events in the United States." He noted that the Italian government found the weak dollar

"good for us" because it lowered the cost of raw material imports that are priced in the U.S. currency.

Mr. Berlusconi also disclosed that "President Bill Clinton has written a letter to me in which he is proposing that international institutions provide \$5 billion of economic aid for Ukraine." The International Herald Tribune reported Saturday that President Clinton would be asking his G-7 partners to support the \$5 billion aid package, drawing on funds from the World Bank and the International Monetary Fund.

The \$5 billion aid proposal was separate from a financial package to support the closure of the Chernobyl nuclear plant and help rebuild Ukraine's energy sector, Mr. Berlusconi said.

As chairman of the G-7 summit, Mr. Berlusconi said he would also propose an Italian initiative to create a special military task force that could be used to intervene in trouble spots around the world.

[The European Commission does not expect any reference to the current weakness of the dollar to be included in the final communiqué of the summit, a

See DOLLAR, Page 12

## Japan's 2.8% Joblessness: Don't Believe It

The Associated Press

**TOKYO** — In an illustration of Japan's hidden unemployment problems, the department store Ginza Kanematsu has received more than 20,000 requests for interviews for 20 job openings it expects to have next April.

The job-seekers responded to an ad in an employment guide distributed at university campuses this week, and most were students expecting to graduate at the beginning of next year's hiring season, a Kanematsu official said Thursday.

"This is definitely a sign that news of economic recovery has yet to affect the job market, where companies have padded

their payrolls for decades," said Kyohei Morita, an economist at Nomura Research Institute.

In the past, larger Japanese companies have tacitly guaranteed lifetime employment in exchange for undying company loyalty. But, Mr. Morita said, that tradition has proved too expensive to maintain through the prolonged recession from which Japan is beginning to emerge.

After three years of unprecedented profit declines, Japanese companies are cutting recruitment drastically and forcing many employees in their mid-50s into "voluntary" retirements.

In February, Japan's unemployment rate hit 2.9 percent, its highest level in six years. Since then, it has hovered at 2.8 percent. When the economy was booming in the late 1980s, it stood at 2.5 percent.

These numbers would excite envy in virtually every Western nation. But in Japan, anyone who worked more than one hour in the last week of a given month is considered fully employed for that month. All members of the armed forces also are counted among the employed.

Economists say that if U.S. counting methods were used, Japan's unemployment rate would be as high as 8 percent.

## Schneider in From Cold?

The Associated Press

**BERLIN** — Jürgen Schneider, the fugitive property dealer who vanished three months ago and left behind debts of 3.1 billion Deutsche marks (\$2 billion), has made contact with German authorities through a Swiss law firm, the German television network ZDF reported Thursday.

It was the first reported official contact with Mr. Schneider since he was unseated as a major financial scandal.

The network said it had learned that a Geneva law firm gave prosecutors power of attorney for Mr. Schneider, but it was not known what he intended. His whereabouts have been a mystery since April 4 when he wrote one of his bankers that doctors had advised him to go away.

## WALL STREET WATCH

### Insiders Send a Clear Message: 'Buy'

By Floyd Norris

New York Times Service

**NEW YORK** — The dollar is down, and interest rates are up. There is talk of a new bear market. In that atmosphere, who would want to buy stocks? Corporate insiders, that's who.

Buying by insiders — officers and directors of companies — is by some measures running at its most intense since early 1991, when the stock market was taking off in the bull market that began with the Gulf War.

"Insiders started picking up when the market bottomed," said David Coleman, the editor of Vicker's Weekly Insider Report, a Washington newsletter that tracks insider buying and selling. "In 1987 and 1990, they did the same thing."

Last week, Vicker's recorded more purchases than sales among insiders whose stocks are listed on the New York or American stock exchanges, by a margin of five buys for each three sells. For the last eight weeks, the average such figure is almost even: 1.07 sells for every buy.

That may not sound all that bullish, but it is. Insiders have lots of ways to get their hands on stock before they reach the open market. Many have shares from before the company went public. Even more get options to buy stock. Such options are often exercised at the same time the stock is sold, leaving the insider with no market risk.

As a result, there are almost always more open-market sales of stock by insiders than there are similar purchases.

And while insider selling is often a warning of bad news, insider buying is viewed as an even better indicator of a stock's being worth consideration.

After all, as many a corporate officer has explained, there are lots of reasons for an insider to sell besides bearishness. The insider wants to diversify investments, or pay for a new house, or college

A level of buying as high as the current one has often served as an indicator for the entire market.

But there is no obvious reason to buy, except hope that the price will rise. A level of buying as high as the current one has often served as an indicator for the entire market. Vicker's regards as bullish a ratio under 1.32 sales for each open-market buy.

Insiders are required to report their transactions to the Securities and Exchange Commission by the 10th day of the following month. Thus, all June trades are to be reported by Monday. Many such reports still come in late, but stiffer rules — including a requirement that companies report to shareholders why officers and directors were late in filing — have improved the promptness of filing.

As a result, the ratios now being reported include activity in May as well as June and thus are somewhat behind in terms of actual activity.

Vicker's compares the number of sales by insiders with the number of open-market purchases, regardless of the size. And while Vicker's reports weekly figures — last week's ratio of 0.61 of a sell to each buy was the second lowest in the last three years — it focuses on an eight-week moving average to smooth out the data.

"Since October 1974, when we began plotting this data, the market has not failed to improve significantly when our eight-week sell-buy ratio fell below 1.0," Mr. Coleman said. The ratio fell below that figure last month, although it edged back up at the end of the month.

Among individual stocks, Mr. Coleman said he had seen considerable interest in a number of gambling stocks. Casinos were darlings of Wall Street in 1993, and a lot of insiders chose to sell then. But the stocks have been driven down this year, and recently there has been interest shown by insiders in such companies as Boyd Gaming, Circus Circus, Casino Magic, Station Casinos, Grand Casinos and Sahara Gaming.

Several real estate investment trusts have also seen insider interest, including Storage Equities, Partners Preferred Yield and Crescent Real Estate Equities.

And International Business Machines Corp. has seen substantial insider buying at prices from \$55 to \$58 and a bit higher, Mr. Coleman noted.

## IBM Moves to Defend Mainframe Business in EU

By Tom Buerkle

International Herald Tribune

**BRUSSELS** — International Business Machines Corp. said Thursday it would pull out of a consent agreement with European authorities to provide technical information to its competitors, in an apparent bid to stem the decline of its mainframe business.

The announcement, which came just four weeks after IBM applied for a release from a 1956 U.S. consent decree that has constrained its computer service business, marks an attempt by Big Blue to come to grips with the loss of industry dominance over the past decade.

The company has suffered as networks of personal computers and workstations have eroded its highly profitable mainframe computer business, analysts said.

IBM moved to end monopoly proceed-

ings against it in 1984 by agreeing with the European Commission to provide specifications to competitors on product attachments, memory and software for its mainframes.

IBM was allowed to terminate the agreement on one year's notice, which it provided to the commission on Wednesday and announced publicly Thursday.

A commission spokesman said it would be "premature" for the commission to take an immediate position on IBM's decision.

Hans Olaf-Henkel, the chairman of IBM Europe, said the industry today is dominated by client-server networks based on open, rather than proprietary, computing systems. "The dynamics of the industry have made most of the undertakings terms obsolete," he said.

Jim Ruderman, an IBM spokesman in Paris, said the company has had only a few

requests for information from Hitachi, Amdahl and Fujitsu in the last five years, and none from European companies. He said IBM did not expect any new action by the commission.

A spokesman for the commission, the European Union's executive agency, said officials had noted the announcement and would speak with other computer companies and try to assess over the coming year whether IBM remains too dominant in the mainframe market.

IBM's share of the European mainframe market has stayed steady at around 55 percent but the market itself has dropped to an estimated \$6 billion this year from \$10.4 billion in 1989, said Martin Hingley of International Data Corp. in London. Europe's overall computer market, including PCs and software, has surged to \$120 billion, he added.

## CURRENCY & INTEREST RATES

| Cross Rates |      |      |      |      |      |      |      |      |      |
|-------------|------|------|------|------|------|------|------|------|------|
|             | \$   | £    | DM   | ¥    | ₹    | ₹    | ₹    | ₹    | ₹    |
| Amsterdam   | 1.77 | 2.21 | 1.37 | 1.37 | 1.37 | 1.37 | 1.37 | 1.37 | 1.37 |
| Bonn        | 1.77 | 2.21 | 1.37 | 1.37 | 1.37 | 1.37 | 1.37 | 1.37 | 1.37 |
| London      | 1.77 | 2.21 | 1.37 | 1.37 | 1.37 | 1.37 | 1.37 | 1.37 | 1.37 |
| Paris       | 1.77 | 2.21 | 1.37 | 1.37 | 1.37 | 1.37 | 1.37 | 1.37 | 1.37 |
| Frankfurt   | 1.77 | 2.21 | 1.37 | 1.37 | 1.37 | 1.37 | 1.37 | 1.37 | 1.37 |
| Geneva      | 1.77 | 2.21 | 1.37 | 1.37 | 1.37 | 1.37 | 1.37 | 1.37 | 1.37 |
| Madrid      | 1.77 | 2.21 | 1.37 | 1.37 | 1.37 | 1.37 | 1.37 | 1.37 | 1.37 |
| Osaka       | 1.77 | 2.21 | 1.37 | 1.37 | 1.37 | 1.37 | 1.37 | 1.37 | 1.37 |
| Seoul       | 1.77 | 2.21 | 1.37 | 1.37 | 1.37 | 1.37 | 1.37 | 1.37 | 1.37 |
| Tokyo       | 1.77 | 2.21 | 1.37 | 1.37 | 1.37 | 1.37 | 1.37 | 1.37 | 1.37 |
| Yokohama    | 1.77 | 2.21 | 1.37 | 1.37 | 1.37 | 1.37 | 1.37 | 1.37 | 1.37 |
| Zurich      | 1.77 | 2.21 | 1.37 | 1.37 | 1.37 | 1.37 | 1.37 | 1.37 | 1.37 |
| 1 ECU       | 1.77 | 2.21 | 1.37 | 1.37 | 1.37 | 1.37 | 1.37 | 1.37 | 1.37 |
| 1 SDR       | 1.77 | 2.21 | 1.37 | 1.37 | 1.37 | 1.37 | 1.37 | 1.37 | 1.37 |

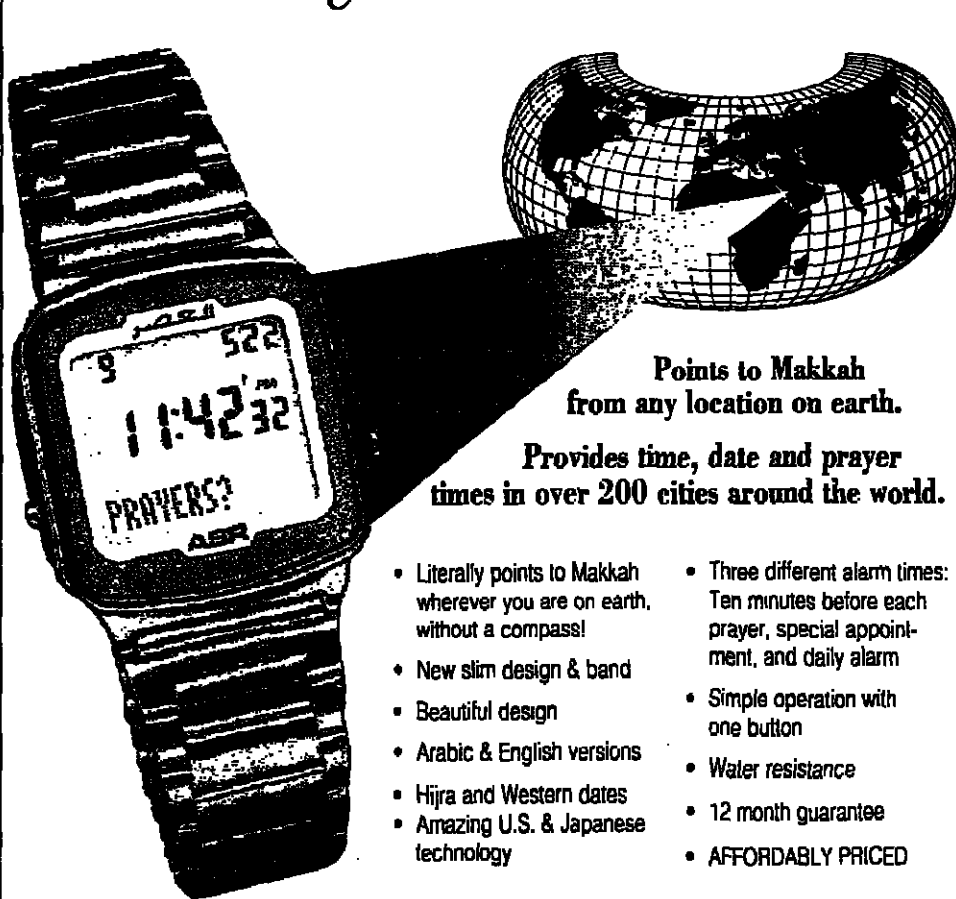
  

| Eurocurrency Deposits |             |             |             |             |             |             |  |  |  |
|-----------------------|-------------|-------------|-------------|-------------|-------------|-------------|--|--|--|
|                       | Dollar      | D-Mark      | Swiss       | French      | Yen         | ECU         |  |  |  |
| 1 month               | 4 1/4-4 1/2 | 4 1/4-4 1/2 | 4 1/4-4 1/2 | 4 1/4-4 1/2 | 4 1/4-4 1/2 | 4 1/4-4 1/2 |  |  |  |
| 3 months              | 4 1/4-4 1/2 | 4 1/4-4 1/2 | 4 1/4-4 1/2 | 4 1/4-4 1/2 | 4 1/4-4 1/2 | 4 1/4-4 1/2 |  |  |  |
| 6 months              | 4 1/4-4 1/2 | 4 1/4-4 1/2 | 4 1/4-4 1/2 | 4 1/4-4 1/2 | 4 1/4-4 1/2 | 4 1/4-4 1/2 |  |  |  |
| 1 year                | 4 1/4-4 1/2 | 4 1/4-4 1/2 | 4 1/4-4 1/2 | 4 1/4-4 1/2 | 4 1/4-4 1/2 | 4 1/4-4 1/2 |  |  |  |

| Key Money Rates         |       |       |                         |       |       |  |  |  |  |
|-------------------------|-------|-------|-------------------------|-------|-------|--|--|--|--|
|                         | Close | Prev. | Article                 |       |       |  |  |  |  |
| Discount rate           | 7 1/2 | 7 1/2 | Bank base rate          | 5 1/4 | 5 1/4 |  |  |  |  |
| Prime rate              | 7 1/2 | 7 1/2 | Call money              | 4 1/2 | 4 1/2 |  |  |  |  |
| Federal funds           | 4 1/2 | 4 1/2 | 1-month interbank       | 5 1/4 | 5 1/4 |  |  |  |  |
| 3-month CDS             | 4 1/2 | 4 1/2 | 3-month interbank       | 5 1/4 | 5 1/4 |  |  |  |  |
| 6-month CDS             | 4 1/2 | 4 1/2 | 6-month interbank       | 5 1/4 | 5 1/4 |  |  |  |  |
| 9-month CDS             | 4 1/2 | 4 1/2 | 9-month interbank       | 5 1/4 | 5 1/4 |  |  |  |  |
| 1-year Treasury bill    | 5 1/4 | 5 1/4 | 1-year T-bill           | 5 1/4 | 5 1/4 |  |  |  |  |
| 2-year Treasury bill    | 5 1/4 | 5 1/4 | 2-year Treasury bill    | 5 1/4 | 5 1/4 |  |  |  |  |
| 3-year Treasury bill    | 5 1/4 | 5 1/4 | 3-year Treasury bill    | 5 1/4 | 5 1/4 |  |  |  |  |
| 5-year Treasury bill    | 5 1/4 | 5 1/4 | 5-year Treasury bill    | 5 1/4 | 5 1/4 |  |  |  |  |
| 10-year Treasury bill   | 5 1/4 | 5 1/4 | 10-year Treasury bill   | 5 1/4 | 5 1/4 |  |  |  |  |
| 10-year Treasury note   | 5 1/4 | 5 1/4 | 10-year Treasury note   | 5 1/4 | 5 1/4 |  |  |  |  |
| 30-year Treasury bond   | 5 1/4 | 5 1/4 | 30-year Treasury bond   | 5 1/4 | 5 1/4 |  |  |  |  |
| 10-year Government bond | 5 1/4 | 5 1/4 | 10-year Government bond | 5 1/4 | 5 1/4 |  |  |  |  |

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## MARKET DIARY

## Cyclical Issues Lead Wall Street Higher

Bloomberg Business News  
NEW YORK — U.S. stock prices rose Thursday, with shares of companies sensitive to the economy's cycles posting the largest gains.

Modest advances by Treasury bonds and unexpectedly

## U.S. Stocks

strong June sales reports by some retail chains helped stocks gain.

The Dow Jones industrial average rose 13.92 points to 3,688.42, its fourth straight gain, as General Motors, Bethlehem Steel, Boeing and Philip Morris shares all advanced.

GM rose 2 1/2% to 47 1/2, Boeing 1 1/2% to 47 1/2, and Bethlehem Steel 1 1/2% to 20 1/2. Almost four stocks rose for every three that declined on the New York Stock Exchange, where volume grew to 258.50 million shares from 235.65 million Wednesday.

Second-quarter profits at steel, aluminum and machinery companies "will be greater than many people think," said Lawrence Rice, chief market strategist at Josephthal Lyon & Ross. Many of the nation's biggest

industrial companies "have been cutting overhead for years."

Retailers' stocks gained after major companies reported strong sales last month. Dayton-Hudson said sales in stores opened more than one year jumped 12.7 percent, and May Department Stores reported a 5 percent gain.

J.C. Penney Co.'s stock price fell 2 1/2% at 48 1/2 in late trading, but Dayton-Hudson Corp. climbed 1 1/2% to 82. Wal-Mart gained 1 1/2% to 24 1/2. Sears added 1/4 at 47 1/2. Circuit City Stores Inc. advanced 1/4 to 20 1/2.

The stock rally outweighed concerns that Friday's U.S. unemployment report for June could be so strong it helps prompt the Federal Reserve Board to raise interest rates for a fifth time this year.

Investors are looking to June's nonfarm employment statistics by the Labor Department to gauge the strength of the U.S. economy and decide if the Fed will raise rates to fight inflation, traders said.

The benchmark 30-year Treasury bond was priced at 84 5/32, with the yield at 7.61 percent, up from Wednesday.

## DOLLAR: Weakness Welcomed

Continued from Page 11

commission official said Thursday, according to a Knight-Ridder report from Brussels.

[Briefing journalists in advance of the summit, the official was asked whether the G-7 summit would take action to

## Foreign Exchange

prop up the dollar. He replied that he did not expect any declaration on the dollar and noted that governors of central banks would not be attending the summit in Naples.]

## Dollar Edges Lower

The dollar fell against the Deutsche mark and the yen on Thursday as traders speculated that leaders of the G-7 countries will do little at their summit to bolster the flagging U.S. currency, Bloomberg Business News reported from New York.

Many traders sold dollars after Mr. Berlusconi said the world's monetary authorities had little power to support the dollar.

The dollar closed at 1.5716 DM, down from a close at 1.5778 DM on Wednesday, and slipped to 98.60 yen from 98.90 yen.

Mr. Berlusconi's comments were the latest in a series by G-7 leaders and senior government officials indicating that they were not willing to try to support it by buying dollars in the foreign exchange market. Economics Minister Günter Rexrodt of Germany said Wednesday that efforts to support the dollar were sure to fail.

"The G-7 is sending signals that we shouldn't expect any action from them in the currency market," said David De Rosa, director of foreign exchange trading at Swiss Bank Corp. "Of course, they could be trying to fake us out."

Against other currencies, the dollar slipped to 1.3235 Swiss francs on Thursday from 1.3274 francs on Wednesday and to 5.4035 French francs from 5.4200 francs. The pound was quoted at \$1.5405, compared to \$1.5460 on Wednesday.

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Via Associated Press July 7

## The Dow

Daily closings of the Dow Jones industrial average

4000

3500

3000

2500

2000

1500

1000

500

0

J F M A M J J

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## Dow Jones Averages

Open High Low Last Chg.

Indus 3688.42 3692.25 3688.42 -13.92

Trans 1567.71 1568.51 1567.71 -0.80

Util 179.34 181.26 179.34 -1.92

Comp 1282.68 1286.99 1282.67 -4.31

Std & Poor's 500 3688.42

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# Metallgesellschaft Appoints a New Finance Chief

**Frankfurt** — Metallgesellschaft AG appointed a new chief financial officer Thursday as part of a reorganization of its management board.

The plan cuts the board of the metals and mining conglomerate to five members from seven and extends the influence of Kajo Neukirch, the chief executive brought in as a troubleshooter after Metallgesellschaft's run into financial difficulties last year.

The supervisory board chose Ulrich Wöhr, the chief executive of the car-parts unit VEO Adolf Schindling AG, to become chief of the finance department Aug. 1.

Mr. Wöhr will succeed Gerson Mertens, who temporarily headed the "particularly overtaxed" areas of controlling and finance, a statement from Metallgesellschaft said. Mr. Mertens will remain controller, the company said.

The former chief financial officer, Meinhard Forster, was fired in a management purge in December that also claimed the then-chief executive, Heinz Schimmelbusch. Metallgesellschaft has said it is considering charges against both ex-managers for their part in running up a 2.3 billion Deutsche mark (\$1.4

billion) loss on trading in oil futures.

Mr. Neukirch will double as head of the personnel department, a position that has been held by Heinrich Götz, who is also the current deputy chief executive. Mr. Götz, a former supervisory board member due to retire, was temporarily appointed to the management board in December and won't be replaced.

Among other management changes, Hans-Ulrich Piant, the chief of Buden AG, will leave the board at the end of July. After Metallgesellschaft sold its 80 percent stake in the heating equipment company last month.

Jens-Peter Schäfer, chief of the energy and chemicals unit Lurgi AG, will leave the board this year but continue to act as corporate advisor to Metallgesellschaft. Lurgi, an energy, chemicals and plant building unit, will not be represented on the board.

The other two management board members are Hans-Werner Nötting, responsible for trading operations, and Klaus Gockmann, responsible for mining, smelting and environmental activities. Metallgesellschaft said.

# Budapest Shares Bubble Again

## Roller-Coaster Market May Be Boosted by Economy

By Henry Copeland  
*Special to the Herald Tribune*

**BUDAPEST** — The victory of Hungary's former Communists in elections in May may give pause to some foreign investors considering Budapest equities.

But local stock analysts say not to worry. After all, it was these same politicians who first permitted equity issues at the beginning of 1989. The *laissez-faire* Communists had already granted considerable autonomy to enterprises, encouraged foreign investment and ended many price controls.

In any case, Budapest's exchange has appeared to decouple itself from politics. The market soared through two rounds of elections in May that gave the Socialist Party an unexpected 52-seat majority in Hungary's 386-member Parliament. Now, analysts here say that a rebounding economy, pools of capital dedicated to Eastern Europe and attractive equity prices will attract investors.

The Budapest Stock Exchange opened in June 1990 with the listing of Ibusz, a state-owned travel company that was dominant in its field at the time. The first offering on the post-Communist exchange was Ibusz, and its shares were priced at 4,900 forints, or \$48 at current exchange rates. They soared to 12,000 within days.

But Ibusz floundered when it had to contend with vigorous competition, and the stock now trades at 1,320. Investors who joined in a euphoric first wave of buying have lost as much as 95 percent of their capital.

Other stocks performed only a little better, as the collapse of trade with the former Soviet bloc and a record-breaking two-year drought sited 20 percent off

gross domestic product between 1989 and 1993. Having risen as high as 1,227 in March 1991, the index of the nine equities that make up two-thirds of the Budapest exchange's capitalization reached an all-time low of 667 in May 1993.

The situation improved later in 1993, however. Istvan Racz, an economist for CS First Boston in Budapest, said there was a "tremendous improvement in earnings, both for the broader economy and the stocks traded on the exchange."

Just as important to the market's revival, Polish equity prices soared eightfold in 1993 and the Czech market surged nearly fourfold between September 1993 and February 1994. This helped Budapest prices to nearly double in the second half of 1993 and to double again in January.

Volume on the Budapest market rose eightfold from the first to the second half of 1993, and volume in January alone equaled that for all of 1993.

"There is a growing sense that Poland, the Czech Republic and Hungary form a region: Central Europe," said Mr. Racz. "This sort of regional treatment means that whenever prices are too high in Poland or the Czech Republic, people are inclined to see what is on sale in Budapest."

The recent rout in Warsaw, where stock prices fell 60 percent, and Prague, where they slid 50 percent, have hurt Budapest prices, but Hungarian shares touched bottom more quickly and have stabilized above 1,400, off a third from January's high of 2,190.

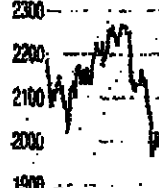
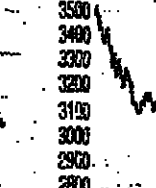
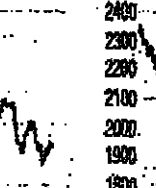
Having watched their fledgling market soar and dive twice, many Hungarian investors have become wary and prefer one-year government securities, which yield 25 percent to equities.

Julian Cooke, manager of the \$100 million Hungarian Investment Co. for John Gove & Co. in London, said he had been buying Budapest equities at current levels. "The growth of 1 or 2 percent projected for Hungary's economy this year may not be that exciting in itself, but it is symbolic of having turned the corner," he said.

Mr. Cooke listed other positive factors, such as a substantial off-the-books economy that was "quite dynamic." He also said that most companies had restructured themselves enough to compete, that Eastern trade links were reviving and that the German economy, a key market for exports, was rebounding. Oversubscriptions for recent new issues have also buoyed the market, he said.

At the same time, analysts warn that the market has only 31 stocks and a capitalization of little more than \$1 billion, making it vulnerable to sudden movements. The surge that nearly doubled the value of the market in January was fueled by volume of only \$80 million.

This spring, companies such as CS First Boston and Baring Brothers launched \$500 million in new equity funds dedicated to Eastern Europe's markets, and brokers hope to entice some of that money to Budapest. Trading with an average price/earnings ratio of 14, the stocks look especially attractive in comparison with those in Poland, where the ratios are often two to three times as high.

| Investor's Europe   |                    |   |             |   |  |
|---|--------------------|---|-------------|---|--|
| Frankfurt DAX   |                    | London FTSE 100 Index   |             | Paris CAC 40  |  |
|  |                    |  |             |  |  |
| F M A M J J 1993  |                    | F M A M J J 1993  |             | F M A M J J 1993  |  |
| Exchange  | Index              | Thursday Close  | Prev. Close | % Change  |  |
| Amsterdam   | AEX                | 384.22  | 385.36      | +0.22   |  |
| Brussels  | Stock Index        | 7,856.03  | 7,860.99    | -0.07   |  |
| Frankfurt   | DAX                | 2,043.85  | 2,036.70    | +0.40   |  |
| Frankfurt   | FAZ                | 781.15  | 778.79      | +0.17   |  |
| Helsinki  | HEX                | 1,743.33  | 1,705.55    | +2.22   |  |
| London  | Financial Times 30 | 2,326.70  | 2,315.80    | +0.47   |  |
| London  | FTSE 100           | 2,964.40  | 2,946.70    | +0.60   |  |
| Madrid  | General Index      | 292.27  | 293.51      | -0.56   |  |
| Milan   | MIB                | 1,116.00  | 1,123.00    | -0.62   |  |
| Paris   | CAC 40             | 1,920.75  | 1,888.99    | +1.68   |  |
| Stockholm   | Affarsveeriden     | 1,755.59  | 1,738.77    | +1.08   |  |
| Vienna  | Stock Index        | 452.63  | 453.61      | -0.29   |  |
| Zurich  | SBS                | 923.49  | 926.13      | -0.29   |  |

Sources: Reuters, AFP

InformationWeek Herald Tribune

**Very briefly:**

- Eurotunnel's rights issue to raise 7.3 billion French francs (\$1.35 billion) was 95.1 percent subscribed, Banque Indosuez said. The Anglo-French tunnel operator described the result as "very satisfactory, given the difficult conditions on stock markets."
- Spain said Luis Angel Rojo would stay on as governor of the Bank of Spain, for a six-year, nonrenewable term.
- Moody's Investors Service Inc. lowered the long-term rating of French bank Worms & Cie. from A-3 to Baa-1 and its rating on short-term credits to Prime-2 from Prime-1.
- Credit Lyonnais said its Atlas Finance unit was in talks to sell its 64.6 percent stake in the French bookstore chain FNAC.
- Aer Lingus management said it was preparing to lay off 200 people on Friday and 400 next week as part of a rescue plan for the Irish airline.

## Allied to Sell More Units

**Compiled by Our Staff From Dispatches**

**LONDON** — The chairman of Allied-Lyons PLC, Michael Jackman, said Thursday that the company would continue to sell food-manufacturing units and that all business sectors had made a "satisfactory start" to the current financial year.

"There is a perceptible though modest return of consumer confidence in the U.K., and trading conditions are improving in North America," Mr. Jackman said at the annual shareholders' meeting. Allied-Lyons's financial year began in March.

Allied-Lyons, the world's second-largest marketer of distilled spirits, will continue to concentrate on building its spirits, brewing and retailing businesses, Mr. Jackman said.

(Bloomberg, AFP)

## Swissair Reshuffles Its Top Management

**Zurich** — Swissair, the national carrier, will reshuffle top management in January in a bid to make its flight operations profitable again.

A six-member management group will succeed the current seven-member airline management group. Swissair repeated that it does not expect flight operations to be profitable this year.

The new group will be responsible for the main airline and for the other Swissair subsidiaries, which range from catering units to hotels.

"We didn't have a clear group management before, or a clear division of tasks," a company spokesman said.

Swissair said it wanted to cut 100 million Swiss francs (\$75 million) in costs this year and had warned that doing so could mean eliminating some jobs.

But in the management reshuffle, only one job will disappear — that of the former deputy president, Erich Geitlinger, who retired June 30.

Last year, Swissair said it had group net profit of 59 million francs despite a "heavy loss" on flight operations.

The company said in its July newsletter that total revenue had fallen in May from a year earlier, although cost-cutting had softened the impact. Passenger traffic rose 1 percent in May, while total traffic volume increased 6 percent.

In the past, management also was responsible for nonairline operations, while the charter airline subsidiary, Balair/CTA, was run separately.

Under the new structure, Balair will be integrated into the group. The regional airline Crossair will remain an independent subsidiary with its own directors.

## Citroën to Supply Malaysia

**Paris** — The automaker Citroën SA said Thursday it had signed a tentative agreement to supply assembly kits to a Malaysian automaker planning to build 50,000 subcompact cars a year by the end of the decade.

The value of the agreement between Citroën and Perusahan Otomobil Nasional Bhd., or Proton, was not disclosed.

Proton is a joint venture of the Malaysian government and Mitsubishi Motors Corp.

Proton will build the subcompact Citroën AX and the AX's replacement, scheduled to appear in France in late 1995.

In a separate announcement in Paris, ArianeSpace said the Malaysian telecommunications company Binarian Sdn. had chosen the European space consortium to launch its first communications satellite.

# NASDAQ

Thursday's 4 p.m.  
This list compiled by the AP, consists of the 1,000 most traded securities in terms of dollar value. It is updated twice a year.

| 12 Month High | 12 Month Low | Div  | Yld  | PE    | 52 Wk High | 52 Wk Low | Chg  |
|---------------|--------------|------|------|-------|------------|-----------|------|
| 120.00        | 115.00       | 1.20 | 4.00 | 15.00 | 120.00     | 115.00    | 0.00 |
| 110.00        | 105.00       | 1.10 | 3.80 | 14.00 | 110.00     | 105.00    | 0.00 |
| 100.00        | 95.00        | 1.00 | 3.60 | 13.00 | 100.00     | 95.00     | 0.00 |
| 90.00         | 85.00        | 0.90 | 3.40 | 12.00 | 90.00      | 85.00     | 0.00 |
| 80.00         | 75.00        | 0.80 | 3.20 | 11.00 | 80.00      | 75.00     | 0.00 |
| 70.00         | 65.00        | 0.70 | 3.00 | 10.00 | 70.00      | 65.00     | 0.00 |
| 60.00         | 55.00        | 0.60 | 2.80 | 9.00  | 60.00      | 55.00     | 0.00 |
| 50.00         | 45.00        | 0.50 | 2.60 | 8.00  | 50.00      | 45.00     | 0.00 |
| 40.00         | 35.00        | 0.40 | 2.40 | 7.00  | 40.00      | 35.00     | 0.00 |
| 30.00         | 25.00        | 0.30 | 2.20 | 6.00  | 30.00      | 25.00     | 0.00 |
| 20.00         | 15.00        | 0.20 | 2.00 | 5.00  | 20.00      | 15.00     | 0.00 |
| 10.00         | 5.00         | 0.10 | 1.80 | 4.00  | 10.00      | 5.00      | 0.00 |
| 5.00          | 1.00         | 0.05 | 1.60 | 3.00  | 5.00       | 1.00      | 0.00 |
| 1.00          | 0.00         | 0.01 | 1.40 | 2.00  | 1.00       | 0.00      | 0.00 |
| 0.00          | 0.00         | 0.00 | 1.20 | 1.00  | 0.00       | 0.00      | 0.00 |

| 12 Month High | 12 Month Low | Div  | Yld  | PE    | 52 Wk High | 52 Wk Low | Chg  |
|---------------|--------------|------|------|-------|------------|-----------|------|
| 120.00        | 115.00       | 1.20 | 4.00 | 15.00 | 120.00     | 115.00    | 0.00 |
| 110.00        | 105.00       | 1.10 | 3.80 | 14.00 | 110.00     | 105.00    | 0.00 |
| 100.00        | 95.00        | 1.00 | 3.60 | 13.00 | 100.00     | 95.00     | 0.00 |
| 90.00         | 85.00        | 0.90 | 3.40 | 12.00 | 90.00      | 85.00     | 0.00 |
| 80.00         | 75.00        | 0.80 | 3.20 | 11.00 | 80.00      | 75.00     | 0.00 |
| 70.00         | 65.00        | 0.70 | 3.00 | 10.00 | 70.00      | 65.00     | 0.00 |
| 60.00         | 55.00        | 0.60 | 2.80 | 9.00  | 60.00      | 55.00     | 0.00 |
| 50.00         | 45.00        | 0.50 | 2.60 | 8.00  | 50.00      | 45.00     | 0.00 |
| 40.00         | 35.00        | 0.40 | 2.40 | 7.00  | 40.00      | 35.00     | 0.00 |
| 30.00         | 25.00        | 0.30 | 2.20 | 6.00  | 30.00      | 25.00     | 0.00 |
| 20.00         | 15.00        | 0.20 | 2.00 | 5.00  | 20.00      | 15.00     | 0.00 |
| 10.00         | 5.00         | 0.10 | 1.80 | 4.00  | 10.00      | 5.00      | 0.00 |
| 5.00          | 1.00         | 0.05 | 1.60 | 3.00  | 5.00       | 1.00      | 0.00 |
| 1.00          | 0.00         | 0.01 | 1.40 | 2.00  | 1.00       | 0.00      | 0.00 |
| 0.00          | 0.00         | 0.00 | 1.20 | 1.00  | 0.00       | 0.00      | 0.00 |

| 12 Month High | 12 Month Low | Div  | Yld  | PE    | 52 Wk High | 52 Wk Low | Chg  |
|---------------|--------------|------|------|-------|------------|-----------|------|
| 120.00        | 115.00       | 1.20 | 4.00 | 15.00 | 120.00     | 115.00    | 0.00 |
| 110.00        | 105.00       | 1.10 | 3.80 | 14.00 | 110.00     | 105.00    | 0.00 |
| 100.00        | 95.00        | 1.00 | 3.60 | 13.00 | 100.00     | 95.00     | 0.00 |
| 90.00         | 85.00        | 0.90 | 3.40 | 12.00 | 90.00      | 85.00     | 0.00 |
| 80.00         | 75.00        | 0.80 | 3.20 | 11.00 | 80.00      | 75.00     | 0.00 |
| 70.00         | 65.00        | 0.70 | 3.00 | 10.00 | 70.00      | 65.00     | 0.00 |
| 60.00         | 55.00        | 0.60 | 2.80 | 9.00  | 60.00      | 55.00     | 0.00 |
| 50.00         | 45.00        | 0.50 | 2.60 | 8.00  | 50.00      | 45.00     | 0.00 |
| 40.00         | 35.00        | 0.40 | 2.40 | 7.00  | 40.00      | 35.00     | 0.00 |
| 30.00         | 25.00        | 0.30 | 2.20 | 6.00  | 30.00      | 25.00     | 0.00 |
| 20.00         | 15.00        | 0.20 | 2.00 | 5.00  | 20.00      | 15.00     | 0.00 |
| 10.00         | 5.00         | 0.10 | 1.80 | 4.00  | 10.00      | 5.00      | 0.00 |
| 5.00          | 1.00         | 0.05 | 1.60 | 3.00  | 5.00       | 1.00      | 0.00 |
| 1.00          | 0.00         | 0.01 | 1.40 | 2.00  | 1.00       | 0.00      | 0.00 |
| 0.00          | 0.00         | 0.00 | 1.20 | 1.00  | 0.00       | 0.00      | 0.00 |

| 12 Month High | 12 Month Low | Div  | Yld  | PE    | 52 Wk High | 52 Wk Low | Chg  |
|---------------|--------------|------|------|-------|------------|-----------|------|
| 120.00        | 115.00       | 1.20 | 4.00 | 15.00 | 120.00     | 115.00    | 0.00 |
| 110.00        | 105.00       | 1.10 | 3.80 | 14.00 | 110.00     | 105.00    | 0.00 |
| 100.00        | 95.00        | 1.00 | 3.60 | 13.00 | 100.00     | 95.00     | 0.00 |
| 90.00         | 85.00        | 0.90 | 3.40 | 12.00 | 90.00      | 85.00     | 0.00 |
| 80.00         | 75.00        | 0.80 | 3.20 | 11.00 | 80.00      | 75.00     | 0.00 |
| 70.00         | 65.00        | 0.70 | 3.00 | 10.00 | 70.00      | 65.00     | 0.00 |
| 60.00         | 55.00        | 0.60 | 2.80 | 9.00  | 60.00      | 55.00     | 0.00 |
| 50.00         | 45.00        | 0.50 | 2.60 | 8.00  | 50.00      | 45.00     | 0.00 |
| 40.00         | 35.00        | 0.40 | 2.40 | 7.00  | 40.00      | 35.00     | 0.00 |
| 30.00         | 25.00        | 0.30 | 2.20 | 6.00  | 30.00      | 25.00     | 0.00 |
| 20.00         | 15.00        | 0.20 | 2.00 | 5.00  | 20.00      | 15.00     | 0.00 |
| 10.00         | 5.00         | 0.10 | 1.80 | 4.00  | 10.00      | 5.00      | 0.00 |
| 5.00          | 1.00         | 0.05 | 1.60 | 3.00  | 5.00       | 1.00      | 0.00 |
| 1.00          | 0.00         | 0.01 | 1.40 | 2.00  | 1.00       | 0.00      | 0.00 |
| 0.00          | 0.00         | 0.00 | 1.20 | 1.00  | 0.00       | 0.00      | 0.00 |

| 12 Month High | 12 Month Low | Div  | Yld  | PE    | 52 Wk High | 52 Wk Low | Chg  |
|---------------|--------------|------|------|-------|------------|-----------|------|
| 120.00        | 115.00       | 1.20 | 4.00 | 15.00 | 120.00     | 115.00    | 0.00 |
| 110.00        | 105.00       | 1.10 | 3.80 | 14.00 | 110.00     | 105.00    | 0.00 |
| 100.00        | 95.00        | 1.00 | 3.60 | 13.00 | 100.00     | 95.00     | 0.00 |
| 90.00         | 85.00        | 0.90 | 3.40 | 12.00 | 90.00      | 85.00     | 0.00 |
| 80.00         | 75.00        | 0.80 | 3.20 | 11.00 | 80.00      | 75.00     | 0.00 |
| 70.00         | 65.00        | 0.70 | 3.00 | 10.00 | 70.00      | 65.00     | 0.00 |
| 60.00         | 55.00        | 0.60 | 2.80 | 9.00  | 60.00      | 55.00     | 0.00 |
| 50.00         | 45.00        | 0.50 | 2.60 | 8.00  | 50.00      | 45.00     | 0.00 |
| 40.00         | 35.00        | 0.40 | 2.40 | 7.00  | 40.00      | 35.00     | 0.00 |
| 30.00         | 25.00        | 0.30 | 2.20 | 6.00  | 30.00      | 25.00     | 0.00 |
| 20.00         | 15.00        | 0.20 | 2.00 | 5.00  | 20.00      | 15.00     | 0.00 |
| 10.00         | 5.00         | 0.10 | 1.80 | 4.00  | 10.00      | 5.00      | 0.00 |
| 5.00          | 1.00         | 0.05 | 1.60 | 3.00  | 5.00       | 1.00      | 0.00 |
| 1.00          | 0.00         | 0.01 | 1.40 | 2.00  | 1.00       | 0.00      | 0.00 |
| 0.00          | 0.00         | 0.00 | 1.20 | 1.00  | 0.00       | 0.00      | 0.00 |

| 12 Month High Low Stock |        | Div  | Yld  | PE    | 52 Wk High | 52 Wk Low | Chg  |
|-------------------------|--------|------|------|-------|------------|-----------|------|
| 120.00                  | 115.00 | 1.20 | 4.00 | 15.00 | 120.00     | 115.00    | 0.00 |
| 110.00                  | 105.00 | 1.10 | 3.80 | 14.00 | 110.00     | 105.00    | 0.00 |
| 100.00                  | 95.00  | 1.00 | 3.60 | 13.00 | 100.00     | 95.00     | 0.00 |
| 90.00                   | 85.00  | 0.90 | 3.40 | 12.00 | 90.00      | 85.00     | 0.00 |
| 80.00                   | 75.00  | 0.80 | 3.20 | 11.00 | 80.00      | 75.00     | 0.00 |
| 70.00                   | 65.00  | 0.70 | 3.00 | 10.00 | 70.00      | 65.00     | 0.00 |
| 60.00                   | 55.00  | 0.60 | 2.80 | 9.00  | 60.00      | 55.00     | 0.00 |
| 50.00                   | 45.00  | 0.50 | 2.60 | 8.00  | 50.00      | 45.00     | 0.00 |
| 40.00                   | 35.00  | 0.40 | 2.40 | 7.00  | 40.00      | 35.00     | 0.00 |
| 30.00                   | 25.00  | 0.30 | 2.20 | 6.00  | 30.00      | 25.00     | 0.00 |
| 20.00                   | 15.00  | 0.20 | 2.00 | 5.00  | 20.00      | 15.00     | 0.00 |
| 10.00                   | 5.00   | 0.10 | 1.80 | 4.00  | 10.00      | 5.00      | 0.00 |
| 5.00                    | 1.00   | 0.05 | 1.60 | 3.00  | 5.00       | 1.00      | 0.00 |
| 1.00                    | 0.00   | 0.01 | 1.40 | 2.00  | 1.00       | 0.00      | 0.00 |
| 0                       |        |      |      |       |            |           |      |
| T-U-V                   |        |      |      |       |            |           |      |
| 147.00                  | 139.00 | 1.40 | 4.50 | 15.00 | 147.00     | 139.00    | 0.00 |
| 135.00                  | 127.00 | 1.35 | 4.30 | 14.00 | 135.00     | 127.00    | 0.00 |
| 123.00                  | 115.00 | 1.23 | 4.10 | 13.00 | 123.00     | 115.00    | 0.00 |
| 111.00                  | 103.00 | 1.11 | 3.90 | 12.00 | 111.00     | 103.00    | 0.00 |
| 99.00                   | 91.00  | 0.99 | 3.70 | 11.00 | 99.00      | 91.00     | 0.00 |
| 87.00                   | 79.00  | 0.87 | 3.50 | 10.00 | 87.00      | 79.00     | 0.00 |
| 75.00                   | 67.00  | 0.75 | 3.30 | 9.00  | 75.00      | 67.00     | 0.00 |
| 63.00                   | 55.00  | 0.63 | 3.10 | 8.00  | 63.00      | 55.00     | 0.00 |
| 51.00                   | 43.00  | 0.51 | 2.90 | 7.00  | 51.00      | 43.00     | 0.00 |
| 39.00                   | 31.00  | 0.39 | 2.70 | 6.00  | 39.00      | 31.00     | 0.00 |
| 27.00                   | 19.00  | 0.27 | 2.50 | 5.00  | 27.00      | 19.00     | 0.00 |
| 15.00                   | 7.00   | 0.15 | 2.30 | 4.00  | 15.00      | 7.00      | 0.00 |
| 3.00                    | 1.00   | 0.03 | 2.10 | 3.00  | 3.00       | 1.00      | 0.00 |
| 1.00                    | 0.00   | 0.01 | 1.90 | 2.00  | 1.00       | 0.00      | 0.00 |
| 0                       |        |      |      |       |            |           |      |
| W-X-Y-Z                 |        |      |      |       |            |           |      |
| 147.00                  | 139.00 | 1.40 | 4.50 | 15.00 | 147.00     | 139.00    | 0.00 |
| 135.00                  | 127.00 | 1.35 | 4.30 | 14.00 | 135.00     | 127.00    | 0.00 |
| 123.00                  | 115.00 | 1.23 | 4.10 | 13.00 | 123.00     | 115.00    | 0.00 |
| 111.00                  | 103.00 | 1.11 | 3.90 | 12.00 | 111.00     | 103.00    | 0.00 |
| 99.00                   | 91.00  | 0.99 | 3.70 | 11.00 | 99.00      | 91.00     | 0.00 |
| 87.00                   | 79.00  | 0.87 | 3.50 | 10.00 | 87.00      | 79.00     | 0.00 |
| 75.00                   | 67.00  | 0.75 | 3.30 | 9.00  | 75.00      | 67.00     | 0.00 |
| 63.00                   | 55.00  | 0.63 | 3.10 | 8.00  | 63.00      | 55.00     | 0.00 |
| 51.00                   | 43.00  | 0.51 | 2.90 | 7.00  | 51.00      | 43.00     | 0.00 |
| 39.00                   | 31.00  | 0.39 | 2.70 | 6.00  | 39.00      | 31.00     | 0.00 |
| 27.00                   | 19.00  | 0.27 | 2.50 | 5.00  | 27.00      | 19.00     | 0.00 |
| 15.00                   | 7.00   | 0.15 | 2.30 | 4.00  | 15.00      | 7.00      | 0.00 |
| 3.00                    | 1.00   | 0.03 | 2.10 | 3.00  | 3.00       | 1.00      | 0.00 |
| 1.00                    | 0.00   | 0.01 | 1.90 | 2.00  | 1.00       | 0.00      | 0.00 |
| 0                       |        |      |      |       |            |           |      |











|  | 1970 | 1971 | 1972 | 1973 | 1974 | 1975 | 1976 | 1977 | 1978 | 1979 | 1980 | 1981 | 1982 | 1983 | 1984 | 1985 | 1986 | 1987 | 1988 | 1989 | 1990 | 1991 | 1992 | 1993 | 1994 | 1995 | 1996 | 1997 | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 | 2036 | 2037 | 2038 | 2039 | 2040 | 2041 | 2042 | 2043 | 2044 | 2045 | 2046 | 2047 | 2048 | 2049 | 2050 | 2051 | 2052 | 2053 | 2054 | 2055 | 2056 | 2057 | 2058 | 2059 | 2060 | 2061 | 2062 | 2063 | 2064 | 2065 | 2066 | 2067 | 2068 | 2069 | 2070 | 2071 | 2072 | 2073 | 2074 | 2075 | 2076 | 2077 | 2078 | 2079 | 2080 | 2081 | 2082 | 2083 | 2084 | 2085 | 2086 | 2087 | 2088 | 2089 | 2090 | 2091 | 2092 | 2093 | 2094 | 2095 | 2096 | 2097 | 2098 | 2099 | 2100 | 2101 | 2102 | 2103 | 2104 | 2105 | 2106 | 2107 | 2108 | 2109 | 2110 | 2111 | 2112 | 2113 | 2114 | 2115 | 2116 | 2117 | 2118 | 2119 | 2120 | 2121 | 2122 | 2123 | 2124 | 2125 | 2126 | 2127 | 2128 | 2129 | 2130 | 2131 | 2132 | 2133 | 2134 | 2135 | 2136 | 2137 | 2138 | 2139 | 2140 | 2141 | 2142 | 2143 | 2144 | 2145 | 2146 | 2147 | 2148 | 2149 | 2150 | 2151 | 2152 | 2153 | 2154 | 2155 | 2156 | 2157 | 2158 | 2159 | 2160 | 2161 | 2162 | 2163 | 2164 | 2165 | 2166 | 2167 | 2168 | 2169 | 2170 | 2171 | 2172 | 2173 | 2174 | 2175 | 2176 | 2177 | 2178 | 2179 | 2180 | 2181 | 2182 | 2183 | 2184 | 2185 | 2186 | 2187 | 2188 | 2189 | 2190 | 2191 | 2192 | 2193 | 2194 | 2195 | 2196 | 2197 | 2198 | 2199 | 2200 | 2201 | 2202 | 2203 | 2204 | 2205 | 2206 | 2207 | 2208 | 2209 | 2210 | 2211 | 2212 | 2213 | 2214 | 2215 | 2216 | 2217 | 2218 | 2219 | 2220 | 2221 | 2222 | 2223 | 2224 | 2225 | 2226 | 2227 | 2228 | 2229 | 2230 | 2231 | 2232 | 2233 | 2234 | 2235 | 2236 | 2237 | 2238 | 2239 | 2240 | 2241 | 2242 | 2243 | 2244 | 2245 | 2246 | 2247 | 2248 | 2249 | 2250 | 2251 | 2252 | 2253 | 2254 | 2255 | 2256 | 2257 | 2258 | 2259 | 2260 | 2261 | 2262 | 2263 | 2264 | 2265 | 2266 | 2267 | 2268 | 2269 | 2270 | 2271 | 2272 | 2273 | 2274 | 2275 | 2276 | 2277 | 2278 | 2279 | 2280 | 2281 | 2282 | 2283 | 2284 | 2285 | 2286 | 2287 | 2288 | 2289 | 2290 | 2291 | 2292 | 2293 | 2294 | 2295 | 2296 | 2297 | 2298 | 2299 | 2300 | 2301 | 2302 | 2303 | 2304 | 2305 | 2306 | 2307 | 2308 | 2309 | 2310 | 2311 | 2312 | 2313 | 2314 | 2315 | 2316 | 2317 | 2318 | 2319 | 2320 | 2321 | 2322 | 2323 | 2324 | 2325 | 2326 | 2327 | 2328 | 2329 | 2330 | 2331 | 2332 | 2333 | 2334 | 2335 | 2336 | 2337 | 2338 | 2339 | 2340 | 2341 | 2342 | 2343 | 2344 | 2345 | 2346 | 2347 | 2348 | 2349 | 2350 | 2351 | 2352 | 2353 | 2354 | 2355 | 2356 | 2357 | 2358 | 2359 | 2360 | 2361 | 2362 | 2363 | 2364 | 2365 | 2366 | 2367 | 2368 | 2369 | 2370 | 2371 | 2372 | 2373 | 2374 | 2375 | 2376 | 2377 | 2378 | 2379 | 2380 | 2381 | 2382 | 2383 | 2384 | 2385 | 2386 | 2387 | 2388 | 2389 | 2390 | 2391 | 2392 | 2393 | 2394 | 2395 | 2396 | 2397 | 2398 | 2399 | 2400 | 2401 | 2402 | 2403 | 2404 | 2405 | 2406 | 2407 | 2408 | 2409 | 2410 | 2411 | 2412 | 2413 | 2414 | 2415 | 2416 | 2417 | 2418 | 2419 | 2420 | 2421 | 2422 | 2 |
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## SPORTS

## Orioles Sweep Mariners, Trail Yanks by Half-Game

The Associated Press  
Brady Anderson has been torrid at the plate lately and the Baltimore Orioles are on a roll, which is no coincidence. Anderson hit a three-run homer and substitute starter Mike Quast pitched six strong

## AL ROUNDUP

innings Wednesday night as Baltimore, playing at home, completed a three-game sweep of the Seattle Mariners with a 5-4 victory.  
"I can't remember too many games when he's hit a homer or something like that and we haven't had success," said the Orioles' manager, Johnny Oates. "He has a knack of finding some way to help us win."

Rafael Palmeiro also homered for the Orioles, who have won 10 of 13 to move within one-half game of the first-place New York Yankees in the AL East. It's the closest Baltimore has been to the top spot since May 11.

Anderson is hitting .395 (17-for-43) with four homers, 10 RBIs and 10 runs scored in his last 10 games. The Orioles are 7-5 in that span.

His 11th homer, his second in two nights, capped a four-run fourth inning that gave the Orioles a 5-1 lead. That doomed Seattle to its fourth straight loss.

Ken Griffey Jr. went 1-for-3 with a sacrifice fly. He had 11 games and 44 official at-bats since hitting his 32nd homer on June 24.

Baltimore got its four runs in the fourth on two hits off Roger Sakfeld. Chris Hoiles drew a

## Thomas Closes On Stalled Griffey

The Associated Press  
Ken Griffey Jr. may soon be chasing Frank Thomas as well as Roger Maris.

Griffey didn't homer for the 11th straight game Wednesday night, while Thomas hit his 31st, a two-run shot in the ninth that helped the Chicago White Sox win, 6-2, in Detroit.

Thomas, second in the AL in batting, first in runs scored and second in homers, has hit four homers while Griffey has been at 32 and holding since June 24.

The White Sox were limited to one run and five hits before scoring five times in the ninth off Mike Henneman.

Inheriting a 2-1 lead, Henneman struck out Darren Jackson to open the ninth, but walked pinch-hitter Warren Newson. Mike LaValle singled Newson to third, and Ozzie Guillen tied it at 2 with a sacrifice fly.

After Lance Johnson's infield single, Tim Lincecum hit a ball just over right fielder Junior Felix's glove, scoring pinch runner Norberto Martin and Johnson.

Thomas, who went 2-for-4, finished by lining a 2-2 pitch into the lower deck in left field.

two-out walk, Dwight Smith tripled and Sakfeld walked Mark McLemore before Anderson hit a 1-1 pitch into the left-field seats.

Athletics 4, Yankees 2: Scott Brosius hit a two-run homer and Troy Need added a solo shot as Oakland completed a three-game sweep in New York.

Oakland, 13 games back in the AL West on June 13, has won 12 of 13 and trails first-place Texas by three games. New York has lost six of seven.

New York catcher Mike Stanley spent the night in the hospital with a concussion after a home-plate collision with Rickey Henderson.

Brewers 4, Royals 3: Dave Nilsson's two-run tiebreaking homer with two out in the eighth gave Milwaukee its victory in Kansas City. Bob Scanlan held the Royals to four hits in eight innings — the longest outting of his career — for his first victory since Sept. 10, 1993, with the Cubs.

Angels 10, Red Sox 6: California hit four homers to score 10 runs for the second straight game in Boston. Greg Myers' two-run shot in the seventh made game the Angels a 6-5 lead, then Rex Hudler hit a three-run homer shot.

Twins 5, Blue Jays 4: Kirby Puckett hit a two-run homer as host Minnesota beat Toronto to end a five-game losing streak.

Indians 13, Rangers 4: Paul Sorrento's three-run homer highlighted a six-run first in Texas and Jack Morris got his 25th major league victory as Cleveland won for the sixth time in seven games.

Morris moved past Bob Gibson to 36th place on the career victory list, allowing three runs and five hits in six innings.



Darryl Strawberry in Phoenix: An S.O.S. from the majors.

## Strawberry Called To Rescue of Giants

The Associated Press  
Darryl Strawberry, ex-Met, ex-Dodger, ex-major leaguer, has been called up from Triple-A Phoenix and was scheduled to start Thursday in right field for the San Francisco Giants, a team tied for the worst record in baseball after having been

## NL ROUNDUP

swept by the New York Mets in a three-game series in which the losers scored only four runs.

Their 4-1 loss Wednesday night gave them a record of 35-50, tied with the San Diego Padres for worst in the American and National Leagues.

Strawberry, who underwent drug rehabilitation treatment in April and signed with the Giants on June 19, has not played a big league game in more than a year. He played three games for Phoenix, going 3-for-10 with two homers.

"He can give us a bona fide threat, which he is," said the Giants' manager, Dusty Baker. "A threat can carry you a long way. He can help the person hitting in front of him."

"The thing I'm concerned about is his baseball shape and endurance," said Baker, noting he may take Strawberry out of games early.

Earlier, team officials said Strawberry wouldn't join the Giants until after the All-Star break. But their situation — 9½ games behind the Los Angeles Dodgers with the season more than halfway over — apparently necessitated the move.

The Mets' Bobby Jones pitched shutout ball for 7½ innings against them Wednesday,

while Ryan Thompson was homering and Jose Vizcaino was getting four hits for New York.

Astros 7, Cardinals 6: Jeff Bagwell, who missed three games with the flu, drove in runs in the first and seventh innings with singles to retake the major league lead in RBIs as Houston won in St. Louis.

Bagwell has 79 RBIs. The Astros, with their fifth straight victory, moved within 1½ games of first-place Cincinnati.

Mariners 4, Reds 3: Defensive lapses by Cincinnati and pinch-hitter Greg Coltrane's two-out, bases-loaded single in the 10th inning helped host Florida end its four-game losing streak.

Expos 4, Dodgers 2: Darin Fletcher, a former Dodger heading to his first All-Star game, hit a two-run homer in the ninth in Los Angeles to put Montreal ahead 3-2. Another run scored on Freddie Benavides' ground out despite Los Angeles playing its infield in.

Pirates 3, Braves 1; Braves 4, Phillies 2: Pittsburgh won the opener in Atlanta with two runs in the bottom of the eighth.

In the nightcap, Ryan Klesko drove in two runs with a homer and a sacrifice fly for the Braves.

Rockies 7, Cubs 1: Andres Galarraga hit a three-run homer in a five-run ninth off All-Star reliever Randy Myers and Colorado won in Chicago.

Padres 5, Phillies 2: Phil Clark hit a two-run homer and Bill Krueger the team's first left-handed starter to win since 1992 as San Diego beat visiting Philadelphia.

## Ballplayers To Delay Strike Date

By Richard Justice

Washington Post Service

WASHINGTON — Major league baseball players, taking a new and cautious approach in their labor confrontation with owners, have decided not to set a strike date when they meet next week in Pittsburgh.

As a result, a strike that once appeared likely in early August may be postponed several weeks, perhaps until mid-September, or later.

"They're dying to provoke us into a strike so we look like the bad guys," said a source familiar with the reasoning of the players. "We're not going to let them."

However, the source emphasized that players will walk off the job sometime this season unless agreement is reached.

The players believe they cannot afford to enter the off season without a new contract because the owners will declare an impasse and unilaterally impose a new system that includes a hard salary cap.

Donald Fehr, executive director of the Major League Players Association, said that since his side did not receive a formal proposal from the owners until June 14, they have not had time to study it.

Sources said the union is still uncertain what the proposed new system would do to salaries and is still asking the owners to supply more information.

Fehr said he believes the owners were intentionally late with the proposal to force a confrontation that would result in a strike. The interim commissioner, Bud Selig of the Milwaukee Brewers, reacted angrily to this. "Nothing could be further from the truth," he said.

Fehr and Richard Ravitch, chief negotiator for the owners, met Wednesday to discuss a host of noneconomic issues such as expansion, the amateur draft and a possible marketing proposal.

"We didn't discuss the underlying gut issue" of a salary cap, Ravitch said.

Three members of the Oakland Athletics attended the session and Ravitch said he told them that the overriding objective was a need to know the cost of labor.

Fehr said the players will make a proposal next week after the players meet Monday in Pittsburgh, site of the All-Star Game.

"We waited 18 months to get a proposal from them," he said. "We raised questions about the proposal they floated. We want to make sure we understand their proposal and make a thorough review of what's on the table."

"It's too soon to set a strike date and I don't expect to ask for one in Pittsburgh."

## SCOREBOARD

## BASEBALL

## Major League Standings

| Team      | W  | L  | Pct. | GB  |
|-----------|----|----|------|-----|
| New York  | 48 | 33 | .593 | —   |
| Baltimore | 48 | 34 | .585 | 1   |
| Seattle   | 42 | 40 | .513 | 6   |
| Detroit   | 38 | 45 | .458 | 11  |
| Toronto   | 35 | 47 | .426 | 13½ |

| Team        | W  | L  | Pct. | GB |
|-------------|----|----|------|----|
| Cleveland   | 49 | 33 | .593 | —  |
| Chicago     | 48 | 34 | .585 | 1  |
| Kansas City | 40 | 40 | .500 | 7½ |
| Minnesota   | 41 | 39 | .510 | 6  |
| St. Louis   | 39 | 41 | .488 | 8  |

| Team         | W  | L  | Pct. | GB |
|--------------|----|----|------|----|
| Atlanta      | 49 | 33 | .593 | —  |
| Philadelphia | 38 | 45 | .458 | 11 |
| New York     | 38 | 45 | .458 | 11 |
| Florida      | 38 | 45 | .458 | 11 |

| Team       | W  | L  | Pct. | GB |
|------------|----|----|------|----|
| Cincinnati | 49 | 33 | .593 | —  |
| Houston    | 48 | 34 | .585 | 1  |
| St. Louis  | 40 | 40 | .500 | 7½ |
| Pittsburgh | 41 | 39 | .510 | 6  |
| Chicago    | 38 | 45 | .458 | 11 |

## Wednesday's Line Scores

| Team          | W  | L  | Pct. | GB |
|---------------|----|----|------|----|
| Oakland       | 49 | 33 | .593 | —  |
| New York      | 48 | 34 | .585 | 1  |
| Dallas        | 48 | 34 | .585 | 1  |
| San Francisco | 48 | 34 | .585 | 1  |
| Los Angeles   | 48 | 34 | .585 | 1  |

| Team          | W  | L  | Pct. | GB |
|---------------|----|----|------|----|
| San Diego     | 48 | 34 | .585 | 1  |
| San Francisco | 48 | 34 | .585 | 1  |
| Los Angeles   | 48 | 34 | .585 | 1  |
| San Diego     | 48 | 34 | .585 | 1  |
| San Francisco | 48 | 34 | .585 | 1  |

## Pacific League

| Team          | W  | L  | Pct. | GB |
|---------------|----|----|------|----|
| San Diego     | 48 | 34 | .585 | 1  |
| San Francisco | 48 | 34 | .585 | 1  |
| Los Angeles   | 48 | 34 | .585 | 1  |
| San Diego     | 48 | 34 | .585 | 1  |
| San Francisco | 48 | 34 | .585 | 1  |

## National League

| Team          | W  | L  | Pct. | GB |
|---------------|----|----|------|----|
| San Diego     | 48 | 34 | .585 | 1  |
| San Francisco | 48 | 34 | .585 | 1  |
| Los Angeles   | 48 | 34 | .585 | 1  |
| San Diego     | 48 | 34 | .585 | 1  |
| San Francisco | 48 | 34 | .585 | 1  |

## CYCLING

| Team          | W  | L  | Pct. | GB |
|---------------|----|----|------|----|
| San Diego     | 48 | 34 | .585 | 1  |
| San Francisco | 48 | 34 | .585 | 1  |
| Los Angeles   | 48 | 34 | .585 | 1  |
| San Diego     | 48 | 34 | .585 | 1  |
| San Francisco | 48 | 34 | .585 | 1  |

## TRANSACTIONS

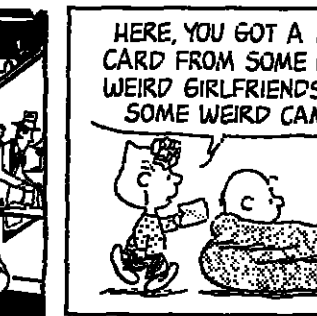
| Team          | W  | L  | Pct. | GB |
|---------------|----|----|------|----|
| San Diego     | 48 | 34 | .585 | 1  |
| San Francisco | 48 | 34 | .585 | 1  |
| Los Angeles   | 48 | 34 | .585 | 1  |
| San Diego     | 48 | 34 | .585 | 1  |
| San Francisco | 48 | 34 | .585 | 1  |

## DENNIS THE MENACE



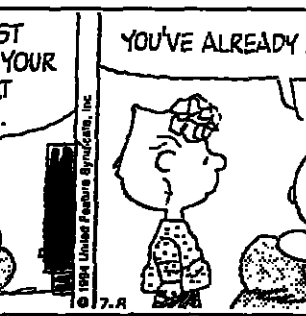
"SHE'S ABOUT THIS TALL AND HER NAME IS NOW."

## PEANUTS



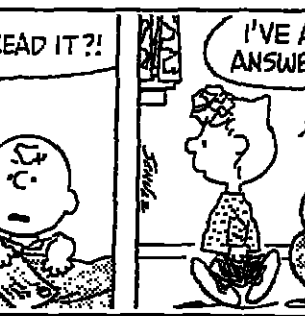
"HERE, YOU GOT A POST CARD FROM SOME OF YOUR WEIRD GIRLFRIENDS AT SOME WEIRD CAMP."

## CALVIN AND HOBBES



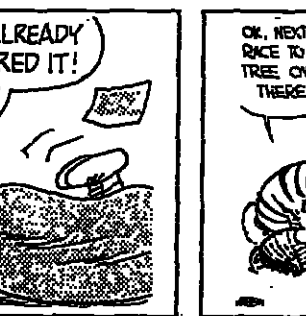
"I'VE ALREADY ANSWERED IT!"

## WIZARD OF ID



"GO AHEAD, MY LITTLE MAN."

## THE FAR SIDE



"MAY I ASK YOU A QUESTION, SIRE?"

## BLONDIE



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# SPORTS WORLD CUP

## Crime and Punishment: FIFA Edits the Book

**International Herald Tribune**  
PALO ALTO — Those close to the action grow accustomed to the plaintive cry of Bora Milutinovic, the head coach of the U.S. team.

"Hey, arbitro!" bellows Bora. "Arbitro... Ees criminale!"  
Many times, it is hot air. Most officials and most players turn a deaf ear to Milutinovic's unique linguistic contortions. But the match at Stamford Stadium on Monday was different. L'arbitro from France, the referee Joel Quiniou, spotted a sporting crime and expelled the Brazilian defender, Leonardo.

On Wednesday, FIFA backed its official to the hilt, banishing Leonardo for four matches. It means the Brazilian has played for the last time at this World Cup. And, he was fined \$8,000. But tough justice has been sorely needed for some time. Those of us who regard Brazilian soccer as among our best friends were appalled by Leonardo's elbow to the face of the U.S. player Tab Ramos.

It took 42 games, it took Brazil, the champion of the Beautiful Game, to threaten the fair-play essence of this World Cup. And it was done in America, new soccer territory, which had 31 million people tuned in by TV.

Leonardo admitted that, "On the video, it looks deliberate, really bad. But I swear to the very depths of my being, I never intended harm to Tab Ramos."

Only the perpetrator knows his degree of intent. But Leonardo's elbow seemed to be cocked in advance, and used with such force that Ramos was hospitalized with a slight fracture of the skull above his left ear, and internal bleeding.

The victim was not entirely innocent. Referee Quiniou showed Ramos the yellow

card for his irritating, shirt-tugging provocation toward Leonardo.

Nevertheless, FIFA has used the incident to endorse the message of this World Cup: Thuggery is off the menu; players will be protected.

The ban on Leonardo is tough, but had he done on the street what he did on the pitch, the law would have been tougher. FIFA does not have to prove malice, or give Leonardo the benefit of doubt.

His action imperiled another professional's livelihood. The pity is that Leonardo is a fine, athletic, adventurous player. His range of movement, his control of the ball, might well have placed him among the very best left-backs.

Off the field, he gives the impression of quiet conscience. He spoke as if he genuinely cared about footballers running for million-dollar contracts while the poor in his homeland scavenged for subsistence.

FIFA's retribution is meant to deter the use of the elbow as a weapon. Similarly, the fact that a record 195 yellow cards and 13 red cards have already been issued adds weight to the warning that those who rule soccer from Zurich really do intend to clean up this sport.

We have only to see the degenerative fights, the unseemly brawls of America's baseball parks to realize that a sport out of control loses appeal and audience.

The crackdown on Leonardo, following the banishment of Maradona after he failed a drug test, symbolizes FIFA's new stance. No mds, no more.

Soccer brought this authoritarian backlash on itself. I hope, some day soon, that the coaches who have instilled into an entire generation of players that it is smart to negate skill with brutality will also get their dues.

Sepp Blatter, general secretary of FIFA and a former Swiss Army colonel, decided to round thuggery and cheating

out of the game. I have not always backed his specific changes, but stand four square behind his motives.

We have seen at this World Cup a fear of official sanction that has liberated far more adventurous play. Not because greater technique can sprout overnight but because those who do possess craft and flair are liberated; they dare run forward without expecting to have their limbs battered, bruised and broken.

It was always likely under Blatter's Rule — or, if you like, the rules of the disciplinary and refereeing committees — that someone would be given the thumb for elbowing. But there have been incidences of top referees failing lamely to carry through the new dictate. It began in the opening game, with Arturo Brizio Carter, a Mexican referee championed in committee by his countryman, the FIFA senior vice president, Guillermo Canedo.

Brizio Carter has refereed on all continents with accomplished control. But here, running in the same dehydrating heat and humidity as the players, he was erratic. He gave the first yellow card to Jürgen Kohler, a German who cleanly won the ball with a tackle from behind. He failed to show any card to Thomas Hässler, who viciously kicked the heels of a Bolivian.

Moreover, Brizio Carter later sent off the Bolivian forward Marco Etcheverry for kicking out at, but missing, Lothar Matthäus. The referee either did not see or ignored the forearm that Matthäus put in the face of Etcheverry.

Tuesday, this same referee sent off Gianfranco Zola, who, again, had tried and failed to retaliate for an earlier foul. Then Brizio Carter let off Paolo Maldini without censure after Maldini hacked down Rashidi Yekini as the Nigerian raced toward the goal.

Brizio Carter and Syria's Jamal Sharif

littered Tuesday's games with 17 yellow and three red cards between them. In both matches, the referees committed gross errors of judgment.

The previous day, FIFA carried out its threat to dismiss referees who err as humans will. Kurt Röthlisberger of Switzerland and Pierluigi Pairetto of Italy were sent home unceremoniously. That set alarm bells ringing. Röthlisberger is among the favorite referees of Blatter. Pairetto is one of the breed of handsomely remunerated Italian referees chosen by Paolo Casarin, the former World Cup arbiter who advises FIFA.

For Pairetto, the humiliation of being sent home is serious. He happens to be the trade union leader of Italy's referees, a group regarded as the model for a future professional approach to refereeing.

I saw a great deal of expert officiating from Röthlisberger and Pairetto. But one error each, bad ones, they are shown FIFA's red card. This, surely, is self-defeating.

FIFA, Blatter and Casarin chose these referees, FIFA changed the terms of contract, moved the goalposts in terms of interpreting the rules. So the failings of fallible humans reflects on FIFA itself. If it chooses the refs, and the refs were failures, there may be something wrong with the judgment or the system of selection.

By publicly, instead of privately, standing these referees down, Blatter has added humiliation to failure. Not only does this ridicule ambitious individuals, not only must it damage their egos, it stands as a warning to those who aspire to the top.

That may have repercussions. Those who stay become frightened, those who go may not return. "Arbitro... Ees criminale!"

Rob Hughes is on the staff of The Times.



Fernando Hierro, a midfielder for Spain, using his head at practice in Massachusetts.

## Vogts' Risk on 'Gray Wolf' Pays Off for Germany

By Steven Goff  
Washington Post Service

CHICAGO — In the days before the World Cup, Germany's coach, Bert Vogts, began to wonder if he had set the right combinations for his defending champions, if he had made wise decisions about his young players and, in one devilish thought, if it made sense to bring back a 34-year-old forward nicknamed "Gray Wolf" whose greatest days seemed well behind him.

Rudi Völler, one of the most beloved German players ever, had announced his retirement from the national team in October 1992. He had a runner-up trophy from the 1986 World Cup and a championship honor from four years ago. His career, he said at the time, would be limited to his professional club, Olympique Marseille, in France.

But earlier this year, as he began to put the finishing touches on his 22-man roster, Vogts found a soft spot, a sliver of vulnerability in an otherwise solid lineup. He needed another scorer, a veteran to complement the newest star, Jürgen Klinsmann. Völler, who started his international career when some German players were only dreaming about the World Cup, was the answer.

It wasn't difficult for Vogts, a former national team star himself, to convince Völler to return. "After one glass of white wine," the coach said with a twinkle in his eye, "things were okay."

And now, as Germany prepares for Sunday's quarterfinal against upset-minded Bulgaria at Giants Stadium, things are better than okay for Völler.

Saturday, in his first start of the tournament, he needed only six minutes to put his team ahead of Belgium in a round-of-16 match. A minute later, he threatened again, stinging a short header that tested the goalkeeper. And later in the first half, after setting up Klinsmann's go-ahead shot, his header provided Germany with a two-goal lead.

"I knew I wouldn't be able to play in all seven games," Völler said about the prospects for playing every match if Germany reached the championship game. "But if my turn came, I



Rudi Völler, the German striker, stretched before a practice in Hinsdale, Illinois.

wanted to be ready. I knew my hour would come."

Völler's return adds another solid link to the German machine. Klinsmann, who has scored in every match so far, has been the main target of opposing defenses.

But now that he is reunited with his striking partner from

the 1990 World Cup, there may be too many scoring threats for one defense to handle. With Völler playing all the way forward, Klinsmann is able to sit back a few strides and use his imagination to create as well as score.

"We work well together," said Klinsmann, 29. "We know the way each other moves, we

know where we want the ball. There's a blind understanding between us."

A brilliant example of that

unspoken communication occurred Saturday on Klinsmann's first-half goal. Völler passed to Klinsmann in a tight space. Klinsmann niftily returned the ball with his heel. Völler darted past two defend-

ers, hurdling the second to avoid being tripped. The ball rolled into open space, but Völler knew it was right where Klinsmann wanted it. Völler gave way, and in a flash, Klinsmann nailed a hard shot along the turf into the far corner of the net.

"I could see in practice that Rudi was ready," said Völler, who in the first round had called on the veteran for only a 29-minute stint against Spain. "He gave our team a different spirit."

The performance moved Völler into second place on Germany's all-time scoring list with 47 goals in 89 appearances, surpassing Karl-Heinz Rummenigge's 45 tallies. He probably never will catch Gerd Müller, the German superstar of the 1970s who had 68 goals in only 62 matches. But then again, few players are given the opportunity to come out of retirement to play in the World Cup.

In the 1986 tournament in Mexico, Völler scored three goals, in the first round against Scotland, in the semifinal win over France and in a loss to Diego Maradona and Argentina in the final.

In Italy four years ago, he scored during early first-round victories over Yugoslavia and the United Arab Emirates. And, although the Germans went on to win their third world championship, Völler is best remembered by some for an incident in the second round against the Netherlands.

The Dutch star, Frank Rijkaard, was given a yellow card for tripping Völler, who then argued that the infraction deserved a red card. On the ensuing free kick, Rijkaard approached Völler and spit on him. Both were ejected.

Two years later, Völler retired from the national team. In 1993, he helped Marseille win the French League title and the European Champions Cup, honors that were later taken away because of match-fixing allegations.

But when Vogts came calling in May, Völler was ready to return. "It was a great feeling to play for my country again," he said. "And it is a greater feeling to help my country win again."

## Italy vs. Spain: On Both Sides, A Lot Borrowed, a Bit Blue

By Ian Thomsen  
International Herald Tribune

BOSTON — Silvio Berlusconi holds to the theory that soccer clubs will overtake the national teams in terms of popularity — that someday the people will feel more kinship to the club he owns, AC Milan, than to Italy.

It's become quite an incestuous (if not hypocritical) point of view, considering that the "Forza Italia" party slogan which elected Berlusconi to prime minister this year was borrowed directly from the Italian national soccer team.

If it turns out, however, that Berlusconi is the visionary he makes himself out to be, then perhaps the decentralization from nations to clubs is happening before our eyes. Here on Saturday, Italy will meet Spain in a quarterfinal of the World Cup. Just seven weeks ago, Italy effectively beat Spain, 4-0, in the final of the European Champions Cup in Athens.

Then, the score was AC Milan 4, Barcelona 0.

Now that result has added meaning. Italy used seven Milan players in its opening 1-0 loss to Ireland three weeks ago, though only five figure to be available Saturday. As for Spain, its coach, Javier Clemente, has recast his team by selecting nine Barcelona players as to just three from Real Madrid. It's hard to argue with Clemente's changes, as Spain had failed to move past the quarterfinals since 1950.

"I have said it before and I still think so — Barcelona players are the best around," Clemente said. "They are without doubt the best all-arounders, technically and in terms of speed and strength."

Their club coach, Johan Cruyff, said as much just two months ago. Indeed, 12 Barcelona players have advanced to the last eight of the World Cup — including Romário of Brazil,

Ronald Koeman of the Netherlands and Hristo Stoitichkov of Bulgaria. The stunning, attacking Barcelona style descends from the "total football" or "chestrated by Cruyff" for the Netherlands when he was the world's best player in the 1970s.

Yet Milan, to the delight of Italy's coach, Arrigo Sacchi, turned out to be much more the efficient team that night.

Sacchi, of course, used to coach Milan. His reputation built upon Milan's Dutch era of Ruud Gullit, Marco Van Basten and Frank Rijkaard. Though Sacchi has failed to recreate that glory with the national team, the country saw hope in Milan's upset of Barcelona. That night, Milan was lacking some of its best parts: Van Basten, to injury; French striker Jean-Pierre Papin, who never panned out with Milan; midfielder "Gininho" Zamboni, slow to recover from an automobile accident; and central defenders Franco Baresi and Alessandro Costacurta, suspended for previous yellow cards.

The Italian trend of performing better with less has been carried into the World Cup, as both of Italy's victories have come short-handed, including the second-round 2-1 comeback against Nigeria that began in the final two minutes. It seems as though the Italians can excel only when such expectations are removed. Fabio Capello, the Milan coach, agreed that Milan won so freely two months ago partially because it was the underdog for the first time in years.

What Sacchi now lacks, however, is the overwhelming mid-field presence of Marco Desailly, the huge Frenchman who cornered his teammates and intimidated Barcelona. No doubt, Sacchi hoped that the individual brilliance of Milan's Serbian striker, Dejan Stankovic, would be recreated in Roberto

Baggio. But Baggio, unlike Stankovic, hasn't been able to invent his own shots. He prefers to create them for others, and the others have lacked the confidence to finish — including striker Daniele Massaro, who scored twice against Barcelona. The coach and the star have been demanding more from each other, and so neither has been happy.

"I embraced Sacchi after scoring the winning goal, because at that point we avoided a disgrace — that he could be called a finished coach and Baggio an unsuccessful player," Baggio said Wednesday from the team camp in New Jersey. "Unfortunately only the result counts in the World Cup, and the difference between a good and bad performance is often very thin, decided in a second by a goal."

Spain might be better as well to hire in Barcelona whole — if that means getting Romário, Stoitichkov and Koeman. Without them, the Spaniards have lacked a leader, and Clemente is not the type to apply Cruyff's all-out attack. Only in its 3-0 second-round victory over Switzerland has Spain begun to examine its potential. Come Saturday, both sides, like inheritors, will be looking to establish its own identity once and for all.

Before leaving, their prime minister had warned the Italians to win the World Cup, otherwise, "I'll cut up your passports so you can't return home." Had Sacchi imagined that he would ever be working for Berlusconi again?

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### WORLD CUP WRAP-UP

Compiled by Our Staff From Dispatches

Ireland's team was given a rousing welcome home Thursday at the start of a day-long party at first postponed because the players and manager wanted to stay in America.

Prime Minister Albert Keynolds was at Dublin's airport with thousands of fans to greet the 19 players and their English manager, Jack Charlton, who were persuaded to attend their

welcome home party through discreet official pressure.

Charlton, who at first said he could not come because of a contract to do television commentary work, scotched speculation that he would resign, his team having been knocked out of the tournament by the Netherlands in the second round.

"I will almost certainly stay on and take us to the European Championships" in 1996, he said.

Argentina's coach, Alfio Basile, said he would step down because of the two-time champion's ouster.

"We all worked with great hopes of getting the title," Basile, 51, said after returning from the United States. "But I live in this country, where finishing second isn't sufficient."

Diego Maradona arrived in Buenos Aires on one point saying that "I'm the only one responsible" for the team's failure. "I'm not a manager, and at

another, saying, "When we were at our best, they cut the legs out from under me."

The president of FIFA, Joao Havelange, said an interview with the Spanish sports paper As that he would ensure that "Maradona will not be punished too heavily, in such a way that, at his age it would force him to retire."

Ladbrokes, the British bookmaker, rated Brazil a 13-8 favorite to win the title July 17, with defending champion Germany at 4-1, the same as Italy, Romania and the Netherlands at 10-1, Sweden at 14-1 and Bulgaria at 20-1.

Emil Kostadinov, the FC Porto striker whose partnership with Hristo Stoitichkov has put Bulgaria in the quarterfinals, is set to join Atletico Madrid. "As far as I'm concerned it is settled," he said. "The clubs just have to agree on a price."

(AP, Reuters, AFP)

سكنا من الامم



# SPORTS WORLD CUP

## Flamboyant Romário Upstages Mild-Mannered Babeto, Off the Field

By Randy Harvey  
Los Angeles Times Service

**LOS GATOS, California** — The forward is poised in front of a Brazilian flag, set to strike a ball that appears as if it will explode through the page of the magazine. The words of the advertisement read: "The mood of a country usually swings with the economy. The mood of Brazil swings with Babeto's right foot."

But before you rush out in pursuit of the advertiser's product, consider this scene:

In the path leading from the field to the dressing rooms at Stanford Stadium, a stage has been constructed from which players and coaches can deliver words of wisdom to the world's soccer media.

That is what Babeto is doing, articulately explaining the finer points of Brazil's 2-0 victory over Russia in the World Cup's first round, when his partner at forward, Romário, snatches past. Suddenly, Babeto is alone as dozens of Brazilian reporters turn and follow Romário up the stairs and to the door of the team bus, where he finally bestows on them two sentences before disappearing inside.

Is there any question about who is the man among the boys from Brazil? As Brazilians say, each team needs a singing

rooster, and on this team it is Romário Souza de Faria who sings.

In interviews, which have been few and far between at the team's heavily secured Villa Pêlice headquarters here, he has admitted that he is an egotist. But as the player most relied on by his teammates to score, he says — almost apologetically — he must assume those characteristics to be effective.

If it is a role, it is one he relishes. He seeks attention with the same intensity as he seeks a team in the defense — getting married in 1988 to his 17-year-old girlfriend while standing on a local stadium's penalty spot in a ceremony that was televised live, calling living legend Pelé senile and "a museum piece" and convening a press conference to announce his refusal to sit in his assigned seat next to Babeto on the team plane. Besides, he said, he wanted a window seat.

Although Romário often offers unsolicited advice to his coaches about who should and should not be playing, he acknowledges that Babeto belongs alongside him in Brazil's lineup. That does not mean Romário has to like him.

They are unrelenting rivals in Spain's first division, where Romário, 28, plays for tradi-

tional power FC Barcelona, and Babeto, 30, for upstart Deportivo de la Coruña.

But the rivalry began more than a decade ago, when they were correctly identified as two of Brazil's rising stars, and, according to team officials, stemmed from a personality clash.

For evidence of that, look no further than their lifestyles in Spain. Babeto is a devoted family man who brought his housekeeper from Brazil to Spain so that the lives of his wife and children would not be disrupted when he moved there to play. Romário also is married and has two children, but he and his best friend, Barcelona teammate Hristo Stoichkov of Bulgaria, are vigorous participants in the city's mid-night-to-dawn nightclub scene.

Even in recent kidnapping incidents in Brazil involving the families of both players, Romário's was more dramatic.

Reputed mobsters tried to kidnap Babeto's wife and brother, but five others actually did abduct Romário's 62-year-old father, Edevar Souza de Faria. Demanding ransom of \$7 million, the abductors held him for six days before they were caught by police. Not only did they not harm him, they provided him with a mattress, cold beer and a television so he could watch his son play a game in Spain.

But although it is convenient for the media to paint contrasting pictures of the two strikers, they are not so different as it appears on the surface. Romário flaunts his impoverished childhood, speaking often of the Rio de Janeiro shantytown where he grew up and the coins he earned by washing car windshields at stop lights. José "Bebeto" Roberto Gama de Oliveira does not talk as much about it, but he also grew up poor in the provincial city of Salvador.

Both also are secure enough in their talents to speak out against their coaches. After leading Brazil to the silver medal in the 1988 Summer Olympics, they protested bitterly when Sebastião Lazaroni used them for a combined total of only 72 minutes during the 1990 World Cup.

Babeto was so put off by Lazaroni's successor as the national coach, Paulo Roberto Falcão, that he quit until a new coach, Carlos Alberto Parreira, was hired. The injured party then was Romário, whose complaints when left out of the lineup for an exhibition game against Germany were so divisive that Parreira suspended him for nine months. Brought back to the team for the final World Cup qualifying game against Uruguay, Romário scored both goals in a 2-0 victory.

The ability to score is something else Babeto and Romário have in common. After Babeto led Spain's first division in 1992-93 with 29 goals, Romário led last season with 30. In the first round of this World Cup, Romário had three of Brazil's six goals and precipitated another when he was fouled in the penalty area. Babeto had one goal and one assist, but at least one opponent said he thought Babeto was a more valuable player than Romário.

"Babeto can do more," Samuel Ekeme Ndiaba, a defender for Cameroon, said after a 3-0 loss to Brazil. "He can create things with his dribbling and crossing passes. He's more athletic. He is more than just a goal getter."

Babeto, at 5 feet 10 inches and 145 pounds, is quick, agile and so adept with the ball that Pelé has suggested he should be the play-making midfielder. If he has a weakness, it is that defenders can knock him off the ball — if they can catch him. When they do, he often whines to the referee. Romário stuck him with the nickname *chorão*, or crybaby.

Romário, by contrast, stands only 5-foot-6-inches, but he weighs 154 pounds and cannot be pushed around. His weakness is that he seldom will go searching for the ball, but when it comes to him he can be devastating.

"I stand there," he says, "pretending I am dead."

Parreira calls him "the king of the penalty area."

Romário still advises Parreira on the line-up. When Pelé recently said that Romário should let the coach coach, Romário responded by calling Pelé "mentally retarded."

But Parreira has learned to let Romário be Romário. The forward, who says that practicing is a waste of calories, was excused from the team's final training camp before leaving for the United States because he wanted to play volleyball on the beach with friends.

Asked recently if Romário is a problem, Parreira said, "Yes, he's a big problem — for the other team."

Romário has tried hard to become a team player for the World Cup.

"I know I am a difficult guy," he says. "It's because I'm authentic. I say what I think to your face. But the other players like me because they know that if Romário does well, the team will get results. I've been telling everybody that I'm ready to give my blood for this Cup."

So far, he has fit in well with his teammates, playing drums for their improvisational samba band. As long as he continues scoring, it does not matter if he marches to a different conga.

## A World Cup Quiz: How Did Bulgaria Manage to Survive?

By Alex Yannis  
New York Times Service

**EAST RUTHERFORD, New Jersey** — Bulgaria came to the United States without a victory in 16 games in five previous World Cup appearances. They were the last of the European countries to qualify, and they did that by scoring a goal in the last 10 seconds against France in Paris.

When they were shut out by Nigeria in their first game of this year's finals, it looked as if the Bulgarians would pull their same old fast fade: two more losses in the first round and off they would go into the Balkan sunset.

So why is Bulgaria one of the eight countries left in this World Cup when 16 other countries with more impressive soccer credentials have been eliminated from the quadrennial tournament?

Bulgaria's surprising success has been enhanced by the chaotic atmosphere surrounding its efforts. They are the most tight-lipped bunch in the tournament. Not only have they closed most of their practices, they have seldom made themselves available to the media. And they have not been exactly forthcoming with tournament organizers either on the release of team information.

One of the reasons for all the secrecy, according to a source close to the team, is the constant in-fighting between the delegation's brass and the coaching staff and players.

Reticence and off-stage bickering notwithstanding, Bulgaria has surged into the final eight with a quarterfinal matchup against defending champion Germany scheduled for Sunday at Giants Stadium.

Just how did Bulgaria do it?

The factual answers to the question are easily identifiable: Greece, Argentina and Mexico, the countries Bulgaria defeated in that order. But the deeper inspiration for the victories has come from players like Hristo Stoichkov and Borislav Mihaylov and the team's coach, Dimitar Penev.

Stoichkov, 29, a crafty playmaker and scorer who has led Barcelona to four consecutive titles in the Spanish League, has the nerves to go with his scoring prowess. He scored the lone goal in regulation in the second-round victory against Mexico and was designated to be the last player to take a penalty kick for Bulgaria.

But Stoichkov didn't have to deliver on that promise because his teammates built an insurmountable 3-1 lead lead on the penalty kicks.

"I'm very glad we won," Stoichkov said. "It doesn't matter how we won."

Mihaylov, 31, the reliable goalkeeper, embodies the phoenix-like qualities of this mysterious team. In 1986, Mihaylov was suspended from the national team for life by the Communist Party's central committee for his involvement in a violent match between the country's two top teams, Spartak Lefsky and CSKA.

Bulgaria's soccer authorities defied the government and lifted the ban later that year, allowing Mihaylov to play for Bulgaria in the 1986 World Cup in Mexico. Mihaylov did little to justify the federation's belief in him in 1986, with a 2-0 loss to Mexico his biggest setback.

But here, against Mexico, he was marvelous. Appearing in his 74th match for Bulgaria, Mihaylov pushed aside two Mexican penalty kicks.

"This is the greatest success for Bulgaria and its people," Mihaylov said. "We played our best."

Like the vast majority of the Bulgarians, Penev is a man of few words. But he is a master of soccer strategy and adjustment.

In a classic example of his coaching deftness, Penev switched his nephew, Laboslav Penev, from midfield to attack to play behind Emil Kostadinov in last November's last-chance qualifying game in Paris.

The two players, who have been close friends, combined for Kostadinov's deciding goal with 10 seconds left that earned Bulgaria a ticket to the World Cup in the United States.

Once here, Bulgaria stumbled out of the gate against Nigeria, but gained confidence by beating Greece. But it was their second-round victory against Argentina last Thursday night that seemed to inspire a country.

"After the win against Argentina," said midfielder Jordan Lechkov, "there was talk in the streets of Bulgaria that we're going to the finals."

It was Lechkov's penalty kick against Mexico's goalkeeper, Jorge Campos, that sealed Bulgaria's win in the first penalty-kick tiebreaker in this World Cup.

Victory has had a way of easing tension within the Bulgarian camp, but only so far: they stayed up so late celebrating their victory over Mexico on Tuesday night at their isolated hotel in Princeton, New Jersey, that Penev gave the players Wednesday off.

But when the players urged the delegation's officials to move the team to a hotel closer to Manhattan, the officials decided to keep the team in Princeton.



Dutch soccer players and their wives waited on the tarmac in Orlando, Florida, while their plane was searched.

## Bomb Joke Backfires on Dutch Reporter

Compiled by Our Staff From Dispatches

**AMSTERDAM** — A Dutch journalist whose joke that his bag contained bombs and guns had caused the Dutch team's plane to be grounded for nearly five hours in Orlando, Florida, was ordered home Thursday.

"We have called Lex Muller back," said Willem Verger, deputy editor of the daily *Algemeen Dagblad*.

Dutch preparations for its quarterfinal against Brazil were thrown into disarray Wednesday when the sportswriter, flying with the team, told a flight attendant in jest that he had a bomb.

That led to an extensive search of the plane at the airport in Orlando, where the Dutch team has its training camp. The team, which finally arrived in Dallas without Muller, had to practice at dusk at the Southern Methodist University practice facility instead of during the afternoon.

"The whole day schedule was a mess because of it," goalkeeper Ed de Goey said.

## 2 More Arrested in Escobar Slaying in Colombia

Compiled by Our Staff From Dispatches

**BOGOTÁ** — The national prosecutor-general's office said Wednesday it had three suspects under arrest for the murder of soccer player Andrés Escobar, and insisted the shooting was not premeditated.

One man, Humberto Muñoz, has already confessed to shooting Escobar outside a Medellín night club last Saturday.

The other two suspects, brothers Pedro and Santiago Gallón, were being held as ac-

complices to the killing, a spokeswoman for the prosecutor-general's office said.

Escobar was killed after an argument with a group of people said to have been angered by the goal he accidentally scored against his team during a match in the World Cup.

Drug traffickers allegedly bet millions of dollars on the team and might have wanted to take revenge for his dismal performance during the international tournament in the United

States. The national team was eliminated from the tournament after winning only one of three matches.

Muñoz said in a local radio interview he was ashamed of what he had done, but insisted he did not know who the player was when he fired.

"I'm sorry," he said from his prison cell in Bogotá.

Muñoz was the driver for Santiago Gallón Henao, a rancher whose authorities said

bet heavily and lost on the Colombian team.

The police spokeswoman also denied reports that police had earlier detained three other suspects in the case.

She said three people had been arrested in Medellín, but "these people have absolutely nothing to do with the Escobar case." She said police stumbled across them during a series of house raids conducted throughout Medellín after the killing.

(Reuters, AP)

## WORLD CUP RESULTS AND SCORERS

### SECOND ROUND

Saturday July 2

Germany 3, Belgium 2

Spain 3, Switzerland 0

Sunday July 3

Sweden 3, Saudi Arabia 1

Romania 3, Argentina 2

Wednesday July 4

Netherlands 2, Ireland 0

Brazil 1, United States 0

Thursday July 5

Bulgaria 3, Mexico 1 on penalties (1-1 after overtime)

At East Rutherford, N.J.

At East Rutherford, N.J.

At East Rutherford, N.J.

At East Rutherford, N.J.

At East Rutherford, N.J.

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### SEMIFINALS

Wednesday July 19

Italy/Spanish winner vs. Bulgaria/Germany winner, 2005 GMT

At Pasadena, Calif.

Netherlands/Swedish winner vs. Sweden/Romania winner, 2335 GMT

At Pasadena, Calif.

At Pasadena, Calif.

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### THIRD PLACE

Saturday July 16

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### CHAMPIONSHIP

Sunday July 17

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## Soccer Complicates The Most Logical Sports Reasoning

By Lawrie Miffilin  
New York Times Service

**NEW YORK** — The quarterfinals have arrived, and the only three triple champions are still in contention. Brazil, Italy and Germany have each won the trophy three times, and perhaps their presence in the final eight is testimony to some sort of sporting logic.

But perhaps not.

If logic held, then the fact that there are seven European teams among the final eight should mean European soccer is superior to any other, but any reasonable fan knows that isn't true.

As usual, soccer is more complicated than that.

Because nationalistic feeling plays such an important role in this most international of sports, and especially in the crucible of nationalism, the World Cup, there is a tendency to view everything through a stereotyping lens.

By that view, Colombia lost because it lacked mental toughness; Sweden is still around because the Swedes "keep cool" under pressure. Through that lens, the Argentines are weak-willed and paranoid, the Italians volatile and hot-headed and the Germans as precise and dependable as the Berlin-to-Bonn train schedule.

Of course, such stereotypes fall apart on inspection. It is Germany that has seen its team torn by volatile tempers off the field, and whose team three times in four games lost control of games it should have but-tuned up easily.

The Italians have been anything but hot-headed. Their major problem, until their late-game triumph over Nigeria, has been pallid, befuddled effort, especially that of Roberto Baggio, who was supposed to be the tournament's inevitable star.

And what of Brazil, and the image of a flamboyant, easygoing, carefree people? Here we are brought up short again, by the brilliant way the Brazilians have played, defensively as well as offensively, reminding everyone that, above all, world-class soccer is about the skill and talent of players. Style is irrelevant until the team in question is good enough to win.

Yes, there are national styles of play; this is undeniable. But there is no "European" style. Italy and Spain play more like Latin American countries than like Bulgaria or Sweden.

The Germans, often seen as

the epitome of a hard-tackling, rugged, defensive style, have the tournament's leading active goal-scorer in Jürgen Klinsmann. By contrast, it is the Brazilians who lost a key starter because of a vicious foul when Leonardo was suspended for four games for the elbow that sent the American Tab Ramos to the hospital with a concussion.

At this level, too, the best players in the world are on stage. What made them the best? Partly talent, partly what they learned growing up with a ball at their feet. And partly what they have learned as professionals.

The highest level of club competition in the world is in the top European leagues — because they pay the highest salaries, and therefore attract the best players.

Among the eight quarterfinalists are three countries — Italy, Spain and Germany — whose domestic leagues are, if not the three best in the world, then among the top five. For this World Cup, the Italian and Spanish rosters contain no players whose club teams are outside their own countries; of the German squad, four play in Italy and one in France, but the rest play in the German league.

Brazil has a domestic league, a good one, but Romário, Babeto and Leonardo play in Spain, while three other regulars play in Germany, three in France and the goalkeeper, Taffarel, in Italy.

Are they better players because they compete regularly in European leagues? Surely their skills would be the same no matter where they played professionally, but it may be that their physical and mental durability have been enhanced by competing at that level, against the sort of top-caliber players they would meet in World Cup games.

The other four quarterfinalists have similar numbers of regular players whose club teams are in Spain, Italy, Germany, France, Portugal or England: Bulgaria has six, Romania seven, Sweden seven and the Netherlands six, although the Dutch have a top domestic league, too.

Following this logic to its conclusion, of course, would mean that Italy or Spain will win the World Cup. That is no safe bet. Once again soccer, like other art forms, refuses to be pigeonholed by logic.



The Brazilian midfielder Mauro Silva was surrounded by high school girls during the team's last practice in California before leaving for Dallas to play the Netherlands.

## And Why So Secretively?

Agence France-Press

**LOS ANGELES** — FIFA's general secretary, Sepp Blatter, has sent a letter to the remaining eight teams saying it is of "crucial importance" they help the media do its job.

Barely stated but understood was the fact that, since the main reason FIFA awarded the World Cup to the United States was to expand the game's popularity here, good press was vital.

Specifically, Blatter asked the teams to "have from



